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ASEAN Foreign Ministers Meet

Further Reportage on 19 Jul Opening Session

Singapore's Wong Gives Address

BK1907143591 Singapore Singapore Broadcasting Corporation in English 1100 GMT 19 Jul 91

[Text] Singapore has urged ASEAN members to take new directions in economic and political cooperation in response to an emerging new world order. The foreign minister, Mr. Wong Kan Seng, said the six-member grouping needs to give substance to both internal and external economic cooperation. Only in this way can ASEAN remain strong in the world economic links.

Mr. Wong was addressing the 24th ASEAN Ministerial Meeting which opened in Kuala Lumpur today.

Giving examples, Mr. Wong said ASEAN can strengthen internal economic cooperation like the Riau-Johor-Singapore growth triangle. External linkages to other regions can be built up, the structures like the Asia-Pacific Economic Cooperation and the ASEAN-Europe initiatives.

Mr. Wong said the Malaysian proposal for an East Asia Economic Grouping should also be seriously considered.

Mr. Wong also spoke on the long-term defense of the region. He said the security of Southeast Asia and the Asia-Pacific can be best served by having an engagement of all powers—large and small. That [words indistinct] that they could be overlapping in multiple, political and security fields.

Mr. Wong also ruled out the possibility of the U.S. expanding its use of military facilities in Singapore. He said there is no question of the U.S. setting up a base in Singapore.

Mr. Wong suggested that fourth ASEAN summit should take new initiatives to shape the future of ASEAN. He said ASEAN should base the capital issues on economic, political, and security cooperation and not side-stepping.

Thailand's Anan Gives Address

BK2007021191 Bangkok THE NATION in English 20 Jul 91 p A4

[Text] Foreign Minister Asa Sarasin yesterday urged Asean to build "bridges" to non-Asean countries, leading to a new regional order in Southeast Asia.

Asa said in his opening speech at the 24th Asean Foreign Ministerial meeting that Asean must look beyond the Cambodian peace settlement and prepare itself to face the challenges that have been brought about by the rapid changes in global politics as well as the prospect to peace in Cambodia.

"All the countries in the region have an important and active role to play in the making of a new Southeast Asia in which nations are united and bound by ties of peace, progress and prosperity," he said, referring to Asean, Burma and the three Indochinese countries of Laos, Cambodia and Vietnam.

Thailand's foreign policy, Asa said, is aimed at creating a conductive atmosphere for greater understanding with non-Asean members in Southeast Asia.

Relations between Asean and Indochina in the past have been strained by the Cambodian conflict. But, recently, there have been some improvements as prospects for peace in Cambodia have brightened.

Meanwhle, the political deterioration in Burma has caused embarrassment for Asean, which has expressed support for the military junta under the leadership of Gen Saw Muang.

"We believe in a policy of constructive engagement which would lead to Myanmar's (Burma) fulfilling her role in contributing to the dynamic future of Southeast Asia," said Asa.

He also pointed out that Thailand is trying to do its best to assist Laos in its economic reforms and to help with the reconstruction of war-ravaged Cambodia.

Thailand has common borders with Burma, Laos and Cambodia, as well as Malayisa.

Asa also welcomed recent changes in Vietnam and expressed the hope that they would lead to a positive involvement by Vietnam in regional affairs.

Vietnam hs expressed a keen interest in joining Asean and to increase economic and trade coperation with its neighbours.

On economic issues, he urged Asean to act with "political courage" to bring about the gradual integration of Asean economies leading to the establishment of an Aean Free Trade Area some time around the turn of the century.

Other areas of Asean cooperation, he said, should include social cooperation in joint efforts to improve the quality of life.

Issues such as protection of the environment, human resource development and narcotics control should remain high on the Asean agenda.

"Social progress must go hand-in-hand with the maintenance and enhancement of economic growth," Asa said.

Ministers Issue Joint Communique, Close Meeting

BK2007090191 Kuala Lumpur BERNAMA in English 0832 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA/BERNAMA)—The 4th ASEAN summit will be held in Singapore on Jan 27 and 28 next year, the ASEAN Foreign Ministers said Saturday.

In a joint communique issued at the close of their 24th annual meeting here, the ministers said they agreed that it was timely to convene another summit "to chart new directions to enhance intra- ASEAN cooperation."

Earlier, Malaysian Foreign Ministry Secretary-General Ahmad Kamil Jaafar told a press conference that the Thai proposal for a free trade area, the Philippines' call for a treaty of economic cooperation, the security of the region and ASEAN relations with the outside world would be discussed at the summit.

He said ASEAN senior officials and the directors-general would begin their meeting here tomorrow morning to prepare for the summit.

The communique, in reviewing ASEAN dialogues with Australia, Canada, Japan, New Zealand, the European Community and the U.S., noted a new trend had developed in the ties from that of a donor- recipient to one of mature and balanced relations.

For South Korea, they agreed that Seoul be admitted as a dialogue partner in their post ministerial conference beginning Monday. South Korea was previously a sectoral dialogue partner, with discussions limited to tourism and trade.

They said future activities involving the dialogue partners should focus on human resource development, science and technology, trade, industry, investment and environment.

To Discuss Security Issue

BK2007110191 Kuala Lumpur BERNAMA in English 1008 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA/BERNAMA)—ASEAN countries, which had traditionally shunned open or public debate on the question of security in the region, have, for the first time, agreed that the issue be discussed with their dialogue partners.

This was reflected in a joint communique issued at the close of the 24th ASEAN Ministerial Meeting (AMM) here Saturday.

"They were of the view that ZOPFAN, the Treaty of Amity and Cooperation in Southeast Asia and the post ministerial conference (with the dialogue partners) process are appropriate bases for addressing the regional peace and security issues in the nineties," said the 26-page communique.

ZOPFAN (Zone of Peace, Freedom and Neutrality) was contained in an ASEAN declaration in 1971 and provided certain basic guiding principles for intra-regional and extra-regional relations. The linchpin of ZOPFAN is the exclusion of superpower rivalry in the region.

The ASEAN Treaty of Amity and Cooperation elaborated on these principles and invited acceptance of these principles by countries in the region.

Conference officials Friday said the regional grouping was faced with at least five proposals on the question of security in the region. One was a paper presented by Japan calling for the setting up of a high official-level consultative group of the six ASEAN countries and Japan who were to meet annually.

The communique said the ASEAN Foreign Ministers, noting the increasing interest in regional peace and security issues, reiterated that ASEAN, in response, should be more dynamic and forward looking.

"They expressed the hope that non-ASEAN Southeast Asian nations could find it possible to participate in the activities of the region.

"They also recognised that ASEAN and other countries in the East Asian region and the broader Asia Pacific should engage in regular constructive consultations," said the communique.

It said the foreign ministers also noted the Philippine report on the seminar "ASEAN and the Asia-Pacific Region: Prospects for Security Cooperation in the 1990's" last June which was attended by senior experts from the government and academic sectors of the ASEAN and a number of other countries.

They also noted that a second seminar with the same theme would be held in Thailand in November. The two seminars, they said, would provide an opportunity for a frank and informal discussion by recognised experts which could be of interest to governments, on the requirements of security and stability in the Asia-Pacific region, with a special focus on Southeast Asia.

"The foreign ministers regarded these initiatives as useful and constructive building blocks for the enhancement of regional security," said the communique.

Urge Debt Crisis Solution

BK2107073291 Kuala Lumpur BERNAMA in English 0430 GMT 21 Jul 91

[Text] Kuala Lumpur, July 21 (OANA-BERNAMA)—The ASEAN Six Saturday called for a tripartite approach involving debtor and creditor countries and financial institutions to resolve the debt crisis of developing countries.

They said in a joint communique issued at the close of their two- day ministerial meeting here that the coordinated tripartite approach should be undertaken to speed up debt relief efforts and to allow for recovery to take place in the debtor countries concerned.

The ministers took note of the recent write-off of bilateral official debts of selected countries and expressed the hope that these be extended to the other indebted countries as well, said the 26-page communique.

Except for Brunei Darussalam and Singapore, the other four ASEAN members—Indonesia, Malaysia, the Philippines and Thailand—have huge foreign debts. Among their creditor countries are their dialogue partners—Japan, the U.S. and some Western European countries.

The communique said the ASEAN countries also recognised that indebted developing countries were dependent on agriculture. "Therefore, in order to reach a permanent long-term solution, it is of utmost urgency that the markets for agricultural products in developed countries must be liberalised," it added.

On measures to revamp and strengthen ASEAN, the communique said the foreign ministers endorsed the recommendation of their standing committee to establish an ASEAN Co-operation Unit (ACU) in the ASEAN secretariat with initial assistance from the United Nations Development Programme (UNDP).

They expressed their confidence that there would now be a more professional and integrated approach to the formulation and implementation of projects.

They also agreed that some of the recommendations of the panel of five eminent persons on the revamping of the ASEAN mechanism and structure could be implemented immediately, while some merited further studies.

In view of this, they agreed to set up a working group, chaired by Lim Jock Seng, the permanent secretary of the Foreign Ministry of Brunei, to study those recommendations before reporting to the fourth ASEAN summit in Singapore on Jan 27 next year.

Human Rights, Environment Addressed

BK2007111191 Kuala Lumpur BERNAMA in English 1019 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA/BERNAMA)—ASEAN foreign ministers emphasised Saturday that human rights and environmental protection must not be used as conditions for aid and development financing.

Their stand, contained in a joint communique issued at the end of their two-day annual meeting here, is seen by analysts as sending a message to the major trading partners with whom they will have dialogues over three days from Monday.

One of the dialogue partners, the European Community (EC), had told ASEAN countries at the ASEAN-EC meeting in Luxembourg in May that future requests for more trade and aid could depend on their human rights records.

The other dialogue partners are Australia, Canada, Japan, New Zealand, the United States and South Korea which was upgraded from sectoral to full partner at this meeting.

In their communique, the ASEAN ministers said the application of human rights in the national context should remain within the competence and responsibility of each country, taking into consideration the complex variety of economic, social and cultural realities.

"...The international application of human rights cannot be narrow and selective nor should it violate sovereignty of nations," they said.

Malaysian Prime Minister Dr. Mahathir Mohamed, in his speech opening the 24th ASEAN Ministerial Meeting (AMM) Friday, had said that when the issue of human rights was linked to trade, investment and finance, it could be viewed only as added conditionalities and protectionism by other means.

The foreign ministers reiterated that the environment and development are inter-related and mutually reinforcing.

"Economic development is as much an inherent right of the people as it is a pressing responsibility for governments in developing countries," they said.

The ministers reaffirmed their determination to work together for the success of the forthcoming United Nations conference on environment and development scheduled in Brazil next year, but stressed that any global initiative should be balanced in approach and take into account the interests of both developing and developed countries.

"The concept of equitable sharing of responsibilities and the ability of developing countries to respond to environmental challenges should be taken into account," they said.

The communique traced the latest developments in relation to the Cambodian peace process, and the ministers urged the Cambodian Supreme National Council (SNC), which was set up under a United Nations peace plan, to work out soon the modalities with the UN for the control and monitoring of the ceasefire and the stoppage of foreign arms supply.

They expressed their "deep concern" over the problem of Vietnamese boat people, and called on Vietnam to tighten measures to check the clandestine departures of its people. They also urged the international community to provide the UN High Commissioner for Refugees (UNHCR) the necessary financial resources for efforts in this area.

On West Asia, the ministers welcomed the restoration of the legitimate government of Kuwait, reaffirmed their support for the convening of an international conference under the auspices of the UN to work out a peace settlement to the Arab-Israeli conflict and the Palestinian question, and deplored Israel's establishment of illegal settlements in the territories it occupied.

The ministers welcomed the repeal of apartheid legislations in South Africa, and stressed that these reforms must lead to the black majority population enjoying all political, economic ansd social rights enjoyed by the whites.

They were of the view that the phased lifting of sanctions should be commensurate with progress towards the achievement of irreversible change and towards the attainment of an apartheid-free South Africa.

Ministers Support Thai Free Trade Proposal

BK2007023391 Bangkok THE NATION in English 20 Jul 91 pp A1-A2

[Excerpt] Asean foreign ministers have given full backing to Prime Minister Anan Panyarachun's proposal to establish an Asean free trade zone, a move that is seen as a joint effort to strengthen economic cooperation among the six members of the regional grouping.

Their endorsement follows the warm embrace of the proposal by Malaysian Prime Minister Dr Mahathir Mohamed who viewed it as an achievable goal if all the Asean countries set their minds to it.

Opening the two-day annual meeting of the Asean foreign ministers here, Mahathir said trade among Asean member countries totalled only 20 percent of group's total trade, adding "we cannot continue with the piecemeal approach to trade liberalization among ourselves."

"I support, therefore, the recent proposal made by Prime Minister Anan that we work towards the establishment of an Asean free trade area sometime by the turn of the century," he said.

Asean officials said the foreign ministers will declare their support for the Thai proposal in the joint communique to be issued at the end of their meeting today. The ministers will then direct officials to prepare a report for the fourth Asean summit, set for January next year in Singapore.

The Asean free trde zone, under which tariff barriers among the six Asean countries would be grdually phased out to facilitate trade flow and intensify economic integration, is expected to be one of the most important items on the agenda at the summit, where the Asean leaders will seek to outline a framework of economic cooperation.

The Asean free trade zone is not an entirely new idea, but was part of a recommendation made by an Asean task force commissioned in 1982 to suggest a method by which Asean might strengthen its eonomic cooperation. Anan was then a chief executive of the Saha- Union Corporation and vice president of the Asean Chamber of Commerce and Industry.

An adoption of the free zone concept by Asean reflects the regional association's growing realization of the need to transcend the Cambodia issue which has drained its resources and energy for more than a decade at the expense of economic cooperation.

The Asean foreign ministers also agreed to further examine Malaysia's proposal to establish an East Asian Economic Grouping which is seen by the United States and the European Community as a potentially protectionistic bloc.

The EAEG idea, embracing the six-nation Asean, Japan, Korea, China, Taiwan and the Indochina countries, is a bitter reaction to the failure of the Uruguay Round of multilateral trade talks late last year and the formation of economic groupings in North America and Europe.

The Asean foreign ministers also recommended that a working group on EAEG meet once again and submnit the study on the framework under which EAEG might function to the Asean foreign ministers and economic ministers, when they meet in Kuala Lumpur in October.

Malaysian Prime Minister Mahathir reiterated that he is confident the EAEG will receive Asean and international support because the body will not be a trade bloc but a loose consultative group whose aim is to build up economic cooperation among the East Asean countries.

During their meeting here, the Asean foreign ministers were to exchange views on a host of international and regional problems, including the Middle East and Eastern European situations.

The ministers voiced disappointment with the failure of the recent Brussels ministerial meeting to successfully conclude the Uruguay Round of the multilateral trade neegotiations. They expresed hope that there would be comprehensive and balanced results which take into account the interests of all parties, especially the developmental needs and concerns of developing countries. [passage omitted]

East Asia Economic Group Concept Endorsed

BK2107081491 Kuala Lumpur Voice of Malaysia in English 0800 GMT 21 Jul 91

[Text] The East Asia Economic Group, EAEG, concept has been endorsed by the ASEAN foreign ministers. All the six ministers were supportive of the idea. Malaysia's Foreign Affairs Minister Datuk Abdullah Ahmad Badawi said this to newsmen after the end of the ASEAN Ministerial Meeting in Kuala Lumpur.

A working group has been set up to study the proposal further. The minister said the EAEG will become an ASEAN initiative. The proposal that will finally be adopted will be truly viable and fulfill the economic needs of all East Asian countries.

Datuk Abdullah said:

[Begin Abdullah recording] So we have expressed the satisfaction. ASEAN now... [changes thought] All the ministers expressed satisfaction on the progresses made in further studying the concept of the EAEG. We agreed that there was a need to further examine and advance the proposal, and the report of this meeting of this ASEAN working group will be submitted to foreign ministers and also to the ASEAN economic ministers. We have to... [changes thought] we need to study further, alright, because we have to find [words indistinct]. We are now in the process of getting ASEAN member countries to discuss and to put in their contribution, their imput because this is going to be an ASEAN initiative later on. Even more important is that the process of discussion must take place. [end recording]

USSR Envoy Comments on Partner Status

BK2107140891 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 21 Jul 91

[Text] The Soviet Union today expressed confidence that it would be made a dialogue partner of ASEAN and that this would come about in a matter of time. Its deputy prime minister, Yuriy Maslyukov, said he was convinced ASEAN would react positively on the matter taking into account the policy of the Soviet Union which he said was quite explanatory and open. He was talking to reporters before leaving after having attended the ASEAN ministerial meeting, AMM, in Kuala Lumpur as a guest of the Malaysian Government. He was seen off at the airport by Malaysian Foreign Minister Datuk Abdullah Ahmad Badawi.

Two days ago after informal talks with ASEAN foreign ministers, Mr. Maslyukov had said that the Soviet Union would consider accepting dialogue partner status if there was such an offer from ASEAN. Mr. Maslyukov took the opportunity of his visit to have informal talks with ASEAN ministers.

The foreign minister, Datuk Abdullah Ahmad Badawi, has rejected any move to upgrade the post-ministerial conference, PMC, between ASEAN and its seven dialogue partners into a security forum. He said it is not a question of upgrading the PMC into a security forum. The PMC is a dialogue mechanism that enables us to discuss anything. He was speaking to reporters at the Kuala Lumpur International Airport. He was asked by newsmen on Malaysia's views on the possibility of upgrading the PMC into a security forum. ASEAN diplomats have hinted that certain dialogue partners are keen to turn the PMC into a forum to discuss the question of peace and security in the face of the shifting military alignment in the region.

The ASEAN foreign ministers, who previously shunned open discussions on the question of security, had for the first time agreed to discuss the issue with their dialogue partners in the PMC beginning tomorrow. In the joint communique issued at the close of their annual meeting yesterday, they said the PMC was a good base for talks on security and peace in the region.

USSR Promises To Reduce Military Presence

BK1907135291 Hong Kong AFP in English 1341 GMT 19 Jul 91

[Text] Kuala Lumpur July 19 (AFP)—The Soviet Union told non-communist Southeast Asia on Friday that it would cut back its military presence in the region, including at Cam Ranh Bay in Vietnam, a senior Malaysian official said.

Ahmad Kamil Jaafar, secretary-general of the Malaysian Foreign Ministry, said the pledge came during talks between foreign ministers of the Association of Southeast Asian Nations (ASEAN) and a Soviet delegation led by Deputy Premier Yuriy Maslyukov.

The meeting was the first between the Soviet Union and ASEAN, a once staunchly anti-communist group that includes Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Mr. Maslyukov is here as a guest of the Malaysian Government, which is hosting the annual two-day meeting of the ASEAN foreign ministers and a post-conference dialogue with the region's major trading partners including the United States and Japan.

Mr. Kamil said that both the Soviets and the ASEAN ministers shared the view that the talks would help reduce tensions and build confidence and trust between the ASEAN and Moscow.

"They gave a clear indication that efforts were being made for a reduction of the Soviet military presence in the region including Cam Ranh Bay," he said without giving details.

Mr. Kamil said the Soviets did not put forward any specific proposal on how to advance security in the region, a topic that diplomats said the ASEAN foreign ministers were informally discussing here.

Responding to questions, Mr. Kamil however acknowledged that the talks would not immediately break down the psychological barriers which have kept ASEAN and the Soviet Union apart.

"We need to build confidence and trust between us," he said, adding that this process was necessary because ASEAN had been previously the target of communist subversion. Mr. Kamil said the ASEAN foreign ministers told Mr Maslyukov that any strategic or security proposals should take into account the different conditions between Europe and East Asia.

He said the Soviets reiterated support for a long-term ASEAN goal of creating a so-called "zone of peace, freedom and neutrality" and a plan to declare the region free of nuclear weapons.

Mr. Maslyukov suggested several areas in which ASEAN could build cooperation with the Soviet Union, including space, energy, protection of the environment, fisheries and how to cope with natural disasters, he said.

He also said Philippine Foreign Secretary Raul Manglapus invited Moscow to attend the next annual ASEAN foreign ministers' meeting that his government will host.

A special ASEAN committee looking into the regional group's external relations would report to an ASEAN summit scheduled to be held in Singapore in February on whether there should be a change in the Soviet status, now limited to that of a guest, Mr. Kamil said.

Soviet diplomats have expressed hope that Moscow's status would be upgraded to that of a full dialogue partner on par with countries like the United States and Japan.

PRC To Enhance Economic, Political Cooperation

BK2007101091 Kuala Lumpur BERNAMA in English 0958 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA/BERNAMA)—ASEAN and China have agreed to step up economic and political cooperation in their first ever informal discussion at an ASEAN Ministerial Meeting (AMM).

Malaysian Foreign Minister Abdullah Ahmad Badawi, who is AMM Chairman, said Saturday it was decided that the two should hold more meetings and consultations towards this end.

The cooperation was aimed at enhancing regional stability and development, he told reporters after the meeting between ASEAN Foreign Ministers and China's Foreign Minister Qian Qichen here, which lasted more than an hour.

Abdullah said China had also accepted an invitation to attend the next ASEAN Ministerial Meeting in Manila next year.

China felt that ASEAN was a major political influence in the region while ASEAN acknowledged that China would have a major role to play to seek a peaceful settlement to the Cambodian issue, he said.

"We are happy with the discussions. We were able to have understanding in various issues," he said, but did not elaborate.

Qian said there was a great potential for developing economic cooperation between ASEAN and China.

Trade between ASEAN and China amounted to U.S.$6.69 billion last year while investments stood at U.S.$1 billion, he told reporters through an interpreter after the meeting.

He said China and ASEAN agreed to make joint efforts to find a political settlement to the Cambodian problem.

"We are now ready to make continued efforts to reach a comprehensive settlement," he said.

Brunei 'Positive' About PRC Relations

BK2007084891 Kuala Lumpur BERNAMA in English 0824 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA/BERNAMA)—Brunei is positive about establishing diplomatic relations with China in the "not too distant future". Brunei Foreign Minister Prince Mohamed Bolkiah said Saturday.

Speaking to reporters after meeting China's Foreign Minister Qian Qichen here, he said both countries had discussed, among other things, the question of having diplomatic links.

"We hope to establish ties in the not too distant future," he said, adding that officials of the two countries would work out the details.

Brunei is the only country among the ASEAN six not to have diplomatic relations with China.

Qian is here as a guest of the Malaysian Government to attend the opening of the two-day ASEAN Ministerial Meeting (AMM) which ended here Saturday. Also invited as a guest was the Soviet Union which was represented by Deputy Prime Minister Yuriy Maslyukov.

The two leaders have had separate meetings with the ASEAN foreign ministers to explore trade and economic opportunities.

Describing his meeting with Qian as normal, Prince Mohamed said he took the opportunity to meet the Chinese minister since both of them were here.

He said Brunei and China already had had contacts through official meetings and exchange of official visits.

Prince Mohamed would also discuss the possibility of establishing diplomatic ties with the Soviet Union at his meeting with Maslyukov later Saturday, a Brunei Foreign Ministry official said.

Brunei, USSR Agree on Diplomatic Ties

BK2007130191 Hong Kong AFP in English 1244 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (AFP)—Brunei and the Soviet Union agreed in principle here Saturday to establish diplomatic ties soon, a senior official from the oil-rich sultanate said.

Officials from both countries reached the agreement during talks just after the close of the Association of Southeast Asian Nations (ASEAN) annual foreign ministers' meeting here.

Brunei is the only ASEAN country with no diplomatic links to China or the Soviet Union, but the official said Moscow and Beijing have invited Brunei to send official delegations for visits in the near future.

The Soviet Union and China attended this week's talks as guests of the Malaysian Government, representing their first-ever official contact with the once firmly anti-communist regional grouping.

ASEAN also comprises Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Philippines, South Korean Ministers Meet

SK2107100891 Seoul YONHAP in English 0954 GMT 21 Jul 91

[Text] Kuala Lumpur, July 21 (YONHAP)—Philippine Foreign Secretary Raul Manglapus Sunday hinted at a possibility that his country and North Korea could normalize relations during the year.

In a meeting with South Korean Foreign Minister Yi Sang-ok, Manglapus said that an environment for the normalization of the ties between the Philippines and North Korea would be created when the two Koreas are admitted to the United Nations this fall.

Yi asked the Philippine foreign secretary to deal with the matter carefully after watching North Korea's movements toward peace although North Korea announced to conclude nuclear safeguards agreement with the International Atomic Energy Agency.

The two foreign ministers also discussed bilateral cooperation in the United Nations and other matters of common interest in their talks at the Pan-Pacific Hotel.

The South Korean foreign minister arrived in this Malaysian capital Saturday to attend the Association of Southesast Asian Nations (ASEAN) postministerial conference for the first time as a full-dialogue partner.

Yi will reveal South Korean Government's basic positions on the function of the ASEAN and Kampuchea problem in a keynote speech to the postministerial conference to be opened on Monday.

South Korea was officially named a full-dialogue partner during the ASEAN ministerial meeting July 19-20, the seventh after Japan, the United States, Canada, Australia, New Zealand and the European Community.

Meanwhile, Yi also held talks with Michael Somare, foreign minister of Papua New Guinea, who said his country will open resident embassy in Seoul by the end of this year.

Japan's Nakayama Remarks on Economic Group

OW2107142491 Tokyo KYODO in English 1341 GMT 21 Jul 91

[Report by Masanori Kikuta]

[Excerpt] Kuala Lumpur, July 21 (KYODO)—Japan reiterated Sunday it understands the basic thinking behind Malaysia's proposal to set up an East Asia Economic Group (EAEG) but will wait for a consensus to emerge on the idea before Tokyo responds, Japanese officials said.

Japanese Foreign Minister Taro Nakayama told Malaysian Foreign Minister Abdullah Ahmad Badawi that ensuring openness of the proposed group is important if the EAEG is to be realized.

Another essential point is to ensure the group would not undermine the ongoing Asia-Pacific Economic Cooperation (APEC) process, the officials quoted Nakayama was quoted as saying.

He made the remarks during a 50-minute meeting with Abdullah upon arrival in Kuala Lumpur, they said.

Nakayama is to attend a three-day meeting between foreign ministers from the Association of Southeast Asian Nations (ASEAN) and their counterparts from ASEAN's dialogue partners, including Japan and the United States, beginning Monday.

Malaysian Prime Minister Mahathir Mohamed made the EAEG proposal last December to give East Asia greater negotiating leverage in world trade and economic talks.

But ASEAN's six members have yet to reach a consensus on the plan. An ASEAN working group is discussing its details.

The U.S., which would be excluded from the EAEG, objected to the idea, saying it could mean regional protectionism and undermine APEC, of which it is a member along with the ASEAN nations and other Pacific region countries.

Abdullah briefed Nakayama on the outcome of a two-day meeting of ASEAN foreign ministers which ended here Saturday, the officials said. [passage omitted]

Accreditation of SNC Envoys Clarified

BK2007062091 Kuala Lumpur BERNAMA in English 0333 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA-BERNAMA)—ASEAN has agreed only to accredit representatives to the Cambodian Supreme National Council (SNC), and not accord it formal recognition, Indonesian Foreign Minister Ali Alatas said Saturday.

Clarifying a news report which said the grouping had formally recognised the SNC comprising the four warring Cambodian factions, he said ASEAN had only agreed to response positively to the request to send accredited representatives to the SNC.

ASEAN foreign ministers Friday issued a statement announcing its decision to accredit representatives to the SNC.

"I think recognising is the wrong word as the SNC is not a government in that sense. It is a temporary body which is very important within the context of the overall solutions," he told reporters after a breakfast meeting between the ASEAN foreign ministers and the United Nations secretary general's special representative, Rafiuddin Ahmed.

Malaysian Foreign Ministry Secretary General Ahmad Kamil Jaafar said the ASEAN countries could accredit representatives from nearby countries and not have envoys in Phnom Penh.

The SNC was established under a UN peace plan to represent Cambodian national sovereignty until the formation of an elected government under UN supervision.

On Saturday's meeting, Ali said the ministers were briefed on the Beijing meeting of the Cambodian factions held earlier in the week and also on another meeting on the matter involving the five permanent members of the UN Security Council.

He said they had a brief discussion on the next step towards a comprehensive settlement of the Cambodian problem.

"We welcome what is happening and the fact that the SNC is now functional. We now have to ensure that they (the factions) will continue to complement one another," he added.

UN Envoy on Cambodian Issue

BK2007062491 Kuala Lumpur BERNAMA in English 0328 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA-BERNAMA)—ASEAN foreign ministers Saturday began the second day of their two-day annual meeting with discussions over breakfast with Rafiuddin Ahmed, special representative of the United Nations secretary general.

Rafiuddin said he briefed the ministers on the latest developments on the Cambodian peace process and that there was an exchange of views on the subject.

He had attended the Cambodian talks in Phatthaya, Thailand, of the Supreme National Council (SNC) comprising the four warring factions. The SNC was established under a UN peace plan to represent Cambodian national sovereignty until the formation of an elected government under UN supervision.

He had also attended the two-day informal meeting of the SNC in Beijing where Prince Norodom Sihanouk was elected chairman of the council which also agreed that it would start functioning from Phnom Penh in November, hold its next formal session in Bangkok from Aug 26 to 28, and decide on the composition of the Cambodian delegation to the UN General Assembly in September.

After breakfast, the six foreign ministers continued with their closed-door discussions from Friday. They are scheduled to meet until lunch time.

Also on their schedule is a luncheon meeting with Papua New Guinea Foreign Minister Michael Somare.

In the afternoon, the foreign ministers will have informal talks with China's foreign minister, Qian Qichen. China and the Soviet Union are here as guests of the Malaysian Government for the ASEAN ministerial meeting (AMM).

Later in the afternoon, there will be a signing of the supplementary agreement to the basic agreement on the ASEAN potash mining project located in Thailand.

The foreign ministers will issue a joint communique at the close of their meeting Saturday evening.

After a break Sunday, the ministers will go into three days of discussions with ASEAN's seven dialogue partners—Australia, Canada, the European Community (EC), Japan, New Zealand, the United States, and South Korea which will [be] upgraded to dialogue partner status at this meeting.

Leaders of some of the dialogue partners are scheduled to arrive later Saturday. They include Australian Foreign Minister Gareth Evans, Netherlands Foreign Minister van den Broek (leader of the EC delegation) and South Korean Foreign Minister Yi Sang-ok.

Post Ministerial Conference Begins 22 Jul

BK2207060691 Kuala Lumpur BERNAMA in English 0533 GMT 22 Jul 91

[Text] Kuala Lumpur, July 22 (OANA-BERNAMA)—Foreign ministers of the six ASEAN countries and their seven dialogue partners began three days of talks here Monday with security in the Asia-Pacific region set to dominate discussions, marking a departure from the usual emphasis on political and economic cooperation.

The opening session of what is known as the Post Ministerial Conference (PMC) got underway with host Malaysian Foreign Minister Abdullah Badawi outlining ASEAN's position on a wide range of issues and the seven dialogue partners making their statements.

The PMC follows the two-day annual meeting of foreign ministers of the non-communist Association of Southeast Asian Nations comprising Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore, and Thailand. The seven dialogue partners are Australia, Canada, the European Community (EC), Japan, New Zealand, South Korea, and the United States.

The PMC began without the presence of U.S. Secretary of State James Baker whose arrival was delayed as he is still hammering out an agreement with Israel for the convening of an Arab-Israeli peace conference. Israel is Baker's final stop of a five-leg West Asian tour which has taken him to Syria, Egypt, Saudi Arabia, and Jordan.

Conference officials said Baker was now scheduled to arrive here at 0530 Tuesday.

Before the opening session, the foreign ministers of ASEAN and the dialogue partners called on Prime Minister Dr. Mahathir Mohamed at his office.

Malaysian Foreign Ministry Secretary-General Ahmad Kamil Jaafar told newsmen that Japan was especially serious about wanting the issue of security to be on the agenda, after ASEAN foreign ministers at their meeting earlier had agreed that security be discussed at the PMC.

ASEAN had previously avoided more specific discussion on the matter in line with its position as a non-military grouping.

Ahmad Kamil said Japan even wanted to "operationalise" the security aspect through the setting up of committees and possibly other mechanisms.

"But the ASEAN foreign ministers, at a meeting yesterday, did not agree to this as they feel it is too premature," he added.

"Of course, it is for the good of ASEAN if there is improved security and lessening of tensions in the Asia-Pacific region, but we feel that there are already ASEAN-proposed concepts like ZOPFAN (Zone of Peace, Freedom, and Neutrality) and the Treaty of Amity and Cooperation on which to work on," he said.

Ahmad Kamil said the PMC would also discuss other issues, like Cambodia, Vietnamese "boat people," developments in Eastern Europe, especially in Yugoslavia and South Africa.

ASEAN would report to its dialogue partners its decision to extend accreditation to the Cambodian Supreme National Council (SNC) in Phnom Penh. The SNC, comprising representatives of all the four warring factions, was set up as the interim authority pending UN-supervised elections to end the 12-year conflict.

Ahmad Kamil said ASEAN would also be seeking the approval of the seven dialogue partners to repatriate Vietnamese "boat people" who did not qualify as refugees.

"Although we do not expect the United States to agree to this yet, we have to tell James Baker and the others that we are doing it to solve the problem of the boat people quickly," he added.

Ahmad Kamil said the EC would also brief the conference on the latest trends and developments in Eastern Europe, especially its peace initiatives in Yugoslavia. The EC's efforts are aimed at averting a civil war after two of Yugoslavia's republics, Croatia and Slovenia, declared their independence.

He said Australia, Canada, and Malaysia, three of tho members of the Commonwealth Foreign Ministers' Committee on South Africa, were not happy with the decision by the EC and the United States to lift their economic sanctions on South Africa.

The lifting of the sanctions were too premature because such sanctions had proved effective in compelling South African President F.W. de Klerk to remove the legislative pillars of apartheid.

The three countries would also like De Klerk to release many more political prisoners and allow the return of political exiles to South Africa before agreeing to the lifting of sanctions.

"Our fear is that the lifting of sanctions could result in the slowdown or the sliding backward of whatever progress already made so far in dismantling apartheid," he added.

Ahmad Kamil said Baker was also expected to brief the conference Tuesday on his latest peace initiatives in West Asia.

Japan Proposes Regular Security Dialogue

OW2207044291 Tokyo KYODO in English 0411 GMT 22 Jul 91

[By Masanori Kikuta]

[Text] Kuala Lumpur, July 22 KYODO—Japan proposed Monday that annual talks between the Association of Southeast Asian Nations (ASEAN) and its major trading partners be made a regular forum for political dialogue focused on security issues.

Japanese Foreign Minister Taro Nakayama made the proposal at the opening of a three-day conference between ASEAN foreign ministers and their counterparts from the group's "dialogue partners."

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand. Their dialogue partners are Japan, the United States, Canada, Australia, New Zealand, the European Community (EC), and South Korea.

Nakayama said he believes "it would be meaningful and timely" to use the annual conference "as a process of political discussions designed to improve the sense of security among us."

He also said "it might be advisable" to organize a meeting of senior officials in order to make these discussions effective, following the example of ASEAN's working-level talks.

The proposed dialogue "is intended to strengthen the political foundation of our mutual cooperative relations" which have so far focused on economic matters, Nakayama said.

The proposal endorsed a similar idea contained in a joint communique issued by the ASEAN foreign ministers after their weekend meeting, also held in Kuala Lumpur, which China and the Soviet Union attended for the first time in ASEAN's 24-year history.

The move toward political dialogue reflects the end of the cold war, the collapse of communist rule in Eastern Europe, and other recent radical changes in the international situation, as well as what Nakayama called "the increasing maturity" in ASEAN's dialogue with its partners.

"Against these backdrops, I believe that this conference has come to bear the significance of the most important forum for dialogue regarding the stability and development of the Asia-Pacific region," he said.

Nakayama said the proposed dialogue will supplement the existing mechanisms and frameworks for cooperation such as bilateral security arrangements.

Japan made the proposal as part of efforts to play a more active political role in world affairs, he said.

Such a role "has taken on an increased importance recently as another major pillar in our diplomatic efforts to ensure regional security," Nakayama said.

But the expansion of Japan's political role in the Asia-Pacific region "has caused anxiety and concern among other countries, as to how far our role would expand and whether or not it would take on military dimensions," he said.

That is why Japan proposed regular political dialogue using the annual talks between ASEAN and its seven dialogue partners, Nakayama said.

He reiterated Japan's basic policy of maintaining "a purely defensive posture and never again becoming a military power."

Comprehensive thinking involving political, economic and military factors is "imperative" for the peace and stability of the Asia- Pacific region, he said.

"Yet the most important issue for the stability of countries in this region is economic development."

Nakayama said Japan "will do the best it can" to expand its cooperation with Asian countries, centering on the economic field.

The six ASEAN countries "have become a major factor for stability" in the Asia-Pacific area at large "through their mutual cooperation based on improved domestic political stability by virtue of their economic development," he added.

'Cautious' Response to Proposal

OW2207084491 Tokyo KYODO in English 0734 GMT 22 Jul 91

[Text] Kuala Lumpur, July 22 (KYODO)—Japan's proposal Monday to start a security dialogue between noncommunist Southeast Asian countries and their major trading partners outside the region drew a cautious response.

Japanese Foreign Minister Taro Nakayama suggested that the Association of Southeast Asian Nations (ASEAN) and its dialogue partners make their annual talks "a process of political discussions designed to improve the sense of security among us."

Nakayama also said "it might be advisable" to organize a meeting of senior officials in order to make such debate effective, as ASEAN does currently.

But most ASEAN ministers attending the meeting reacted cautiously to establishment of new machinery focused on security discussions, although they generally supported the idea of political dialogue.

Indonesian Foreign Minister Ali Alatas said the six ASEAN nations have no objection in principle to discussing security issues during the dialogue with their partners that is held after a meeting of their foreign ministers.

"But we cannot establish a working group on security," Alatas told reporters following the opening session. "People will have a wrong impression as if the PMC (Post-Ministerial Conference) is becoming a security forum.

"It should be a general forum and we have no problem with security talked (along with other issues). You see the difference."

Other ministers made similar comments. "In principle, certainly I have no objection to the proposal," Philippine Foreign Secretary Raul Manglapus said. "However, the matter of a senior officials' group would have to be looked at more closely."

Singapore Foreign Minister Wong Kan Seng said "We agree with the proposal" on security dialogue but having senior officials discuss security issues "is something that we need to study."

Malaysian Foreign Minister Abdullah Ahmad Badawi, hosting the three-day conference, said the Japanese proposal expanded upon a statement in a joint communique issued by the ASEAN foreign ministers following their weekend meeting.

The communique said ASEAN's dialogue with its partners is one of "appropriate bases" for security discussions.

"It is good the Japanese support it," Abdullah told reporters. "But whether that is the structure we should adopt, the subject has to be looked at further."

Australian Foreign Minister Gareth Evans suggested that all foreign ministers discuss the security problem freely and privately after their formal talks.

South Korean Responds

SK2207053091 Seoul YONHAP in English 0443 GMT 22 Jul 91

[Text] Seoul, July 22 (YONHAP)—South Korean Foreign Minister Yi Sang-ok made it clear Monday that his government was not very enthusiastic about discussing Asian security arrangements, indicating U.S. security presence will continue to be essential to peace in the Asia-Pacific region in the foreseeable future.

In a key-note speech to the post-ministerial conference [PMC] of the Association of Southeast Asian Nations (ASEAN) in Kuala Lumpur, Malaysia, Yi said, "In terms of security cooperation to promote peace in our region, multilateral security arrangements akin to the CSCE [Conference on Security and Cooperation in Europe] in Europe do not seem to be appropriate for the Asia-Pacific region, due to the diversity of security interests and perceptions, the asymmetry in the military situation and exisiting regional conflicts.

"It is true that the present web of bilateral and subregional security arrangements have proven effective in maintaining stability for the last several decades, during which the presence of the United States has served as a central stabilizing factor."

Yi's remarks were apparently made in response to Japan's move to propose holding regular talks on regional security for the Asia- Pacific area.

The text of Yi's speech was released by the Foreign Ministry Monday.

Predicting U.S. security presence will remain essential to the peace and stability in East Asia in the forseeable future, Yi said the regional countries should step up dialogue and cooperation among themselves to deal effectively with the changing security situation.

He is attending the PMC at the head of an 11-member South Korean delegation. South Korea has just become a full-dialogue partner of the ASEAN.

Turning to economic issues, Yi said world nations were faced with the fundamental challenge to "sacrifice immediate interests in favor of greater future gains."

"The immediate and most decisive testing grounds will be the Uruguay Round...If countries fail to reach a successful outcome at the Uruguay Round, it is likely that the trend of regionalism will gain momentum in various parts of the world.

"In effect, cold war confrontation may be replaced by economic confrontation, manifested by protectionist barriers and counter- barriers in bilateral and regional contexts, thus leading the world economy toward a precarious state of instability and fragmentation," the minister said.

Affirming the Asia-Pacific region can serve as an "innovative example" for regional cooperation, Yi said the Asia-Pacific Economic Cooperation (APEC) would become an increasingly useful forum for such cooperation.

"The upcoming third APEC ministerial meeting in Seoul this November, to be held at a time when the Uruguay Round negotiations draw to an end and in the face of EC integration, is expected to serve as an important occasion to chart the future direction of APEC," he said.

On Sunday, meeting with Philippine Foreign Minister Raul Manglapus at the Pan-Pacific Hotel, Yi said Manila was advised to take cautious steps in normalizing relations with North Korea, Korean officials accompanying Yi reported to the Foreign Ministry .

Last month, Pyongyang and Manila agreed in principle to normalize relations.

North Korea is showing signs of change, announcing the will to sign the nuclear safeguards accord of the International Atomic Energy Agency, but it is still too early to tell the North's future policy change, Yi told Manglapus.

Manglapus responded by saying his government would be cautious in improving relations with North Korea and would be in close consultation with South Korea.

More on Reaction

BK2207075291 Kuala Lumpur BERNAMA in English 0702 GMT 22 Jul 91

[Text] Kuala Lumpur, July 22 (OANA-BERNAMA)—ASEAN and its dialogue partners Monday opened their annual meeting here with diverging views on how to address the question of security in the Asia Pacific region.

Malaysian Foreign Minister Abdullah Badawi, speaking as chairman of the ASEAN standing committee, said ASEAN should not be turned into a military bloc.

"The creation of a military bloc would invite the establishment of a counter bloc," he said.

But many of the leaders of the dialogue partners did not share this view. They felt that their dialogue, called the post ministerial conference [PMC], would be the best forum to discuss security arrangements for the Asia Pacific region.

The seven dialogue partners are Australia, Canada, the European Community (EC), Japan, New Zealand, South Korea and the United States.

Japanese Foreign Minister Taro Nakayama, in his opening remarks, said the PMC should be used to improve the "sense of security" in the Asia-Pacific region, and suggested a senior officials' meeting which would report its deliberations to the PMC for further discussion.

Four of the six ASEAN countries—Indonesia, Malaysia, the Philippines and Singapore—when approached by newsmen, gave the nod to the Japanese proposal for a senior officials' meeting. But they felt that it had to be further discussed.

Nakayama had also said that ASEAN had already succeeded in its original aim of building up regional economic resilience and it was imperative for it to consider the political, economic and military situation.

Australian Foreign and Trade Minister Gareth Evans said the PMC was the "most appropriate" framework to deal with security issues in the region.

He even went further to suggest a PMC retreat which he thought would be a well-established way of achieving frank and private exchanges between political leaders.

Evans also said that part of the subject matter of a new regional security dialogue should be the possibility of specific new confidence building measures (CBM), and added that ASEAN itself was a CBM.

New dialogue partner South Korea echoed the view that while the end of the cold war was a positive development, it brought with it new security challenges for the Asia Pacific region.

Its Foreign Minister Yi Sang-ok, in his maiden address, also endorsed the rejection by the others of the Canadian proposal for the setting up of an arrangement similar to the Conference on Security and Cooperation in Europe (CSCE) in the Asia-Pacific region.

Canadian Foreign Minister Barbara McDougall said Canada supported the idea of holding informal security discussions between ASEAN and its dialogue partners within the PMC framework.

"And we hope that consultations can be widened at an appropriate time, to include non-dialogue partners such as Indochina, as well as China and the Soviet Union."

Amidst these expounding of views on security, the United States underscored its commitment to countries in the region.

U.S. Under Secretary of State Robert Zoellick, standing in for Secretary of State James Baker who arrives Tuesday, said America's global engagement definitely includes Asia.

"We intend to operate with you, bilaterally and collectively. We will stand by our commitments to you," he said.

He pointed out that the loose network of bilateral alliances of the region, including the U.S. commitment to Japan, South Korea, the Philippines, Thailand and Australia, had been the balancing wheel of a highly effective security structure for more than four decades.

Malaysian Minister Remarks on Japanese Meeting

BK2207071891 Kuala Lumpur Voice of Malaysia in English 0600 GMT 22 Jul 91

[Text] Japan will continue to monitor the progress of ASEAN negotiation on Malaysia's East Asia Economic Group, EAEG, proposal before deciding whether to support or reject it. Malaysian Foreign Minister Datuk Abdullah Badawi said Japan has yet to say whether it supports or rejects the proposal.

He was speaking to reporters after an hour-long meeting with his Japanese counterpart Taro Nakayama in Kuala Lumpur. He said he had briefed Mr. Nakayama on the outcome of talks between the ASEAN foreign ministers over the past two days in which they voiced support for the group and agreed for it to be further studied.

USSR's Maslyukov Comments on PRC Cooperation

BK2007073491 Kuala Lumpur BERNAMA in English 0717 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA-BERNAMA)—The Soviet Union and China are stepping up technical and economic cooperation, Soviet Deputy Prime Minister Yuriy Maslyukov said Saturday.

The technical and economic cooperation would feature in the Soviet-China Joint Commission meeting to be held in Moscow, he told newsmen after meeting China's foreign minister, Qian Qichen, here.

Maslyukov and Qian, here for the opening of the 24th ASEAN ministerial meeting [AMM] Friday, also met the ASEAN Six separately for informal talks.

He said he and Qian discussed various issues, including the "possible modality of our participation in this dialogue with ASEAN."

"The invitation (by Malaysia to attend the AMM) is very important for our two countries," he added.

He said they also touched on the Cambodian question and "of what to discuss at the forthcoming session of the UN General Assembly."

On the Cambodian Supreme National Council (SNC), he said the Soviet Union would "almost certainly" recognise the body.

The SNC, comprising the four Cambodian factions, was established under a UN peace plan to represent Cambodian national sovereignty until the formation of an elected government under UN supervision.

USSR's Maslyukov Remarks Before Departure

BK2107113991 Hong Kong AFP in English 1130 GMT 21 Jul 91

[Text] Kuala Lumpur, July 21 (AFP)—Soviet Deputy Prime Minister Yuriy Maslyukov said Sunday that Malaysia was considering a Soviet request for a 200 million dollar credit to buy palm oil and other commodities.

"We have been buying natural rubber, palm oil, tin and some other commodities from Malaysia year after year," Mr. Maslyukov told journalists before leaving for an official visit to Indonesia.

"This year, we are temporarily experiencing difficulties and... we have indeed requested credit for such purchases," he said.

Malaysia is considering the request and has not yet made a final decision, he said.

Mr. Maslyukov and his delegation were here as guests of the Malaysian Government, which is hosting annual talks among foreign ministers of the Association of Southeast Asian Nations (ASEAN).

The Soviet participation represented Moscow's first official contact with the non-communist regional grouping.

Diplomats said security issues would feature for the first time at a Post Ministerial Conference (PMC) from Monday between the ASEAN foreign ministers and their major trading partners.

Mr. Maslyukov said he viewed the inclusion of security issues in the PMC talks as positive. But he added "it is premature for me to express a position while we are not yet a full-fledged dialogue partner" with ASEAN. He also said he was confident Moscow would become a dialogue partner, saying "I only think it will take time."

The Soviet Union attended the ministerial meeting here as a private guest of the Malaysian Government and has expressed interest in upgrading its status to that of full dialogue partner with ASEAN.

The current dialogue partners are Australia, Canada, the European Community, Japan, New Zealand, South Korea and the United States.

ASEAN comprises Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Japan

Hashimoto Calls London Summit a Success

OW1907144691 Tokyo KYODO in English 1427 GMT 19 Jul 91

[Text] Kathmandu, July 19 KYODO—Japanese Finance Minister Ryutaro Hashimoto on Friday called this week's London summit of seven major industrial countries a success, at least from Japan's point of view.

Hashimoto, on his arrival here for a four-day visit, said he was disappointed that Japan was unable to persuade Soviet President Mikhail Gorbachev to turn over the northern territories off Hokkaido, which the Soviet Union seized at the end of World War II.

"But we didn't make any commitment of financial help" to Moscow, he told reporters.

The Finance Minister said Japan was successful in reminding the industrialized West of the concerns of countries in Asia, Africa, and Latin America.

This was important, he said, because of the current focus in Western Europe on events in Central and Eastern Europe.

Noting that aid to developing countries will be discussed during the annual meetings of the International Monetary Fund and the World Bank in October, he asked for the Nepalese "Government's cooperation at those meetings, so that the concerns of nations like Nepal and India can be voiced."

Kaifu Returns to Tokyo Following Visits

OW2107033691 Tokyo KYODO in English 0314 GMT 21 Jul 91

[Text] Tokyo, July 21 KYODO—Prime Minister Toshiki Kaifu returned home from Amsterdam Sunday morning, winding up an 11-day trip during which he attended the London summit of seven leading economic powers.

In London, Kaifu also separately met Soviet President Mikhail Gorbachev.

Before going to London for the July 15-17 summit, Kaifu visited the United States to meet President George Bush at his vacation home in Kennebunkport, Maine.

In The Hague Thursday, Kaifu and Dutch Prime Minister Ruud Lubbers issued a declaration pledging joint efforts to build political and trade ties between Japan and the European Community (EC).

Netherlands Prime Minister Apologizes to Kaifu

OW2207104491 Tokyo KYODO in English 0837 GMT 22 Jul 91

[Text] Tokyo, July 22 KYODO—Dutch Prime Minister Rudolph Lubbers has apologized to Japanese Prime Minister Toshiki Kaifu for unruly demonstrators who threw into a pond the floral wreath Kaifu laid on a World War II war memorial, the top government spokesman said Monday.

Chief Cabinet Secretary Misoji Sakamoto said that Lubbers made an unscheduled trip to the airport to express his regrets to Kaifu over last Friday's incident in The Hague.

The two countries have agreed not to allow the past to interfere with friendly relations, Sakamoto told a regularly scheduled news conference.

Kaifu was met by hundreds of elderly demonstrators seeking compensation and apologies when he paid his respects to the thousands of Dutch victims of wartime internment camps in the former Netherlands East Indies, now Indonesia, news reports said.

Several hours after the ceremony, one of the demonstrators removed the wreath and tossed it into a nearby pond, the reports said.

Around 100,000 Dutch citizens were detained in camps, of whom 16,000 died, according to the Japanese Government.

Reportage on Kaifu's Visit to Netherlands

WA2207123391

For reportage on the two-day official visit by Prime Minister Toshiki Kaifu to The Netherlands, including reports on his talks with Dutch Prime Minister Ruud Lubbers, see the Benelux section of the 22 July West Europe DAILY REPORT.

Official Supports PRC Membership in APEC

OW1907162691 Tokyo KYODO in English 1453 GMT 19 Jul 91

[Text] Tokyo, July 19 KYODO—Japan wants China to be represented in the Asia-Pacific Economic Cooperation (APEC) forum, a 12-member economic grouping, Vice Foreign Minister Takakazu Kuriyama said Friday.

Kuriyama, in an interview with NHK television, called for China's participation in the APEC forum, pointing out China's importance in ensuring peace and stability in the Asia-Pacific region.

APEC groups the United States, Japan, Canada, South Korea, Australia, and New Zealand, and the six member countries of the association of Southeast Asian Nations (ASEAN)—Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Brunei.

Kuriyama also said that in the future it will be necessary to hold a joint conference between leaders of China and of the world's seven major industrialized countries.

"We must build up a mechanism in order to win China's help as a partner in ensuring peace and prosperity in the Asia-Pacific region," he said.

Ministry To Continue To Restrict Burmese Ties

OW2207154591 Tokyo KYODO in English 1411 GMT 22 Jul 91

[Text] Tokyo, July 22 KYODO—A top Foreign Ministry official said Monday Japan will continue to restrict its economic ties with Myanmar [Burma] unless the country releases detained opposition leader Aung San Suu Kyi.

"Japan cannot help restricting its relationship with Myanmar as long as the house arrest of Mrs. Aung San Suu Kyi continues," the official said on condition of anonymity.

He made the remark at a briefing in reply to a question on how Tokyo would respond to a reported plan by the United States to ask Japan to impose new sanctions in support of a U.S. State Department decision to slap economic sanctions on Myanmar in view of its bleak human rights record.

He was speaking two days after Aung San Suu Kyi started her third year under house arrest, during which she has been under constant surveillance by armed troops and deprived of any contact with her family.

But the official said Japan has no intention of announcing additional sanctions. "So far, Japan has repeatedly conveyed its concern about the human rights situation in Myanmar."

"Japan has pursued its policy of not approving any new economic aid budgets for that country (since 1987)," he said.

But although Japan stopped approving new aid budgets to Myanmar in 1987, in the spring of 1989 it resumed disbursements of aid- related budgetary appropriations covering a dozen projects which received parliamentary endorsement before 1987.

In a letter to Senator Daniel Patrick Moynihan, a key member of the Senate Foreign Affairs Committee, the State Department said Sunday the U.S. Government has decided to impose economic sanctions against Myanmar.

Moynihan, former U.S. Ambassador to the United Nations, said Washington is going to ask Japan and other countries to impose similar economic sanctions.

The military government of Gen. Saw Maung has said it will free Aung San Suu Kyi only if she renounces politics and leaves the country.

The military reportedly killed thousands of civilian demonstrators in 1988 to put down a nationwide uprising for democracy, in which she emerged as the main opposition leader.

Aung San Suu Kyi, 46, the daughter of slain Myanmar independence hero Aung San, has stressed peaceful resistance to military rule.

She became involved in the pro-democracy uprising after returning from academic life in Britain in 1988 to nurse her dying mother.

Her political party, the National League for Democracy (NLD), won the 1990 general election by a landslide but the military has refused to hand over power.

International human rights groups estimate some 500 NLD members are still in detention, including politicians who won seats in the election.

She was nominated for the 1991 Nobel Peace Prize by Czechoslovakian President Vaclav Havel, who told the Nobel committee in Oslo that she is "a symbol of a widespread movement for civil liberties and human rights in Myanmar."

Stalled North Korean Talks To Resume

OW2007053791 Tokyo KYODO in English 0459 GMT 20 Jul 91

[Text] Tokyo, July 20 KYODO—Japan and North Korea simultaneously announced Saturday they will resume the stalemated talks to establish diplomatic relations in Beijing in late August.

The exact date for the fourth round of normalization talks will be set later, Japanese Foreign Ministry officials said.

North Korea's official KOREAN CENTRAL NEWS AGENCY (KCNA), in a report monitored in Tokyo, said, "It was decided at an unofficial contact between the Democratic People's Republic of Korea and Japan in Pyongyang to hold the fourth round of intergovernmental full- dress talks for the normalization of DPRK-Japan diplomatic relations in Beijing in late August.

"It was also decided to agree on the date of the talks through diplomatic channels and announce it," KCNA said.

Earlier this month, Japan's Foreign Ministry sent senior officials to Pyongyang for negotiations, Japanese officials said.

The last round of talks broke down in May, with Pyongyang demanding that Japan drop its request for information on a Japanese woman, who Japanese police say is suspected of training a North Korean agent convicted of the 1987 loss of a South Korean airliner over the Andaman Sea.

The woman, Kim Hyon-hui, was sentenced to death but was pardoned later.

Kim said in Seoul in May that that the woman, known under the Korean name of Li Un-hye, taught her the Japanese language and customs so she could pose as a Japanese tourist.

North Korea agreed to hold the fourth round of talks after they reached a certain accord over their difference in dealing with the woman's case, the officials said.

The officials did not clarify the nature of the accord, only saying the two countries maintain their positions on the matter.

Diplomatic sources said the two countries would discuss the woman's case at an unofficial level separate from the normalization talks.

Japanese officials said the missing woman and the diplomatic normalization talks are different issues, indicating that they will not bring up the issue in the next round of talks but instead will discuss it on a working level.

North Korea, in a major policy change, has recently accepted international inspection of its nuclear facilities by the International Atomic Energy Agency (IAEA), applied for membership to the United Nations, and agreed to resume the fourth round of inter- Korean prime ministers' talks.

Japan views those North Korean moves as positive, diplomatic sources said.

Diet, Assembly Members Leave for Pyongyang Talks

OW2107081091 Tokyo KYODO in English 0707 GMT 21 Jul 91

[Text] Tokyo, July 21 Kyodo - Twenty-six Japanese Diet members and 243 local assembly members left here for Pyongyang Sunday for talks with North Korean officials to promote the normalization of bilateral relations.

Japan and North Korea announced Saturday they will resume in late August in Beijing the stalemated talks to establish diplomatic relations.

The multiparty group, led by Hajime Ishii, a ruling Liberal Democratic Party (LDP) member of the Diet and head of a Japanese Diet members' League for Friendship With North Korea, will stay in North Korea for five days, officials said.

'I hope your Pyongyang visit will help speed up negotiations to normalize bilateral relations,' said former Deputy Prime Minister Shin Kanemaru in a speech to the delegates at Tokyo's Haneda Airport.

Kanemaru visited Pyongyang last September to lead an LDP mission along with that of the top opposition Social Democratic Party, which helped the two governments start normalizations talks.

The delegates will meet with North Korea officials to discuss, in addition to normalization of relations, such issues as trade and economic exchanges and improvement of the legal status of Korean residents in Japan.

Kim Yong-sun, secretary of the Korean Workers' Party, will be among North Korean officials to meet the Japanese politicians.

Delegation members will also meet North Korean President Kim Il-song on Thursday, the officials said.

The delegation includes members from the LDP, the Social Democratic Party, Komeito, the Democratic Socialist Party, and the United Social Democratic Party.

Pakistan Embassy Protests to Weekly Over Article

OW2207022891 Tokyo KYODO in English 0153 GMT 22 Jul 91

[Text] Tokyo, July 22 KYODO—Officials of the Pakistani Embassy in Tokyo have lodged a protest with a Japanese weekly over an article on marriages between Japanese and Pakistanis, saying it "further aggravates racial prejudice," Pakistani diplomats said Monday.

The controversial report in the weekly THEMIS was carried in a merged issue of May 8 and May 15, and the Pakistani officials made their protest in mid-June, the officials said. The weekly, which suspended publication in July, had been edited by Themis Co. and distributed by Tokyo-based Gakken Co. Gakken said THEMIS, founded in June 1989, had a circulation of about 300,000 before it stopped publishing.

The story was entitled "Tragedy Hits Ignorant Japanese Women Married To Pakistani Migrant Workers," the officials said.

The story said nine Pakistanis out of 10 try to win Japanese brides by threatening to slash their own wrists, the officials said.

The report also said that migrant Pakistani workers make advances to Japanese women in order to obtain semipermanent visas in Japan, they added.

The embassy officials opposed the report, calling it "exaggeration of some extreme cases," the diplomats said.

Officials of the weekly THEMIS confirmed that they had discussed the matter with Pakistani officials. "But we do not consider the talks a formal protest. The article only refers to cultural differences," one of them said.

Mixed-marriage couples also started a campaign to collect signatures to protest the article.

Chie Sekiguchi of Shiki, Saitama Prefecture, who married a Bangladeshi three years ago and who is one of the organizers of the campaign, told KYODO News Service, "The article might give a bad image that Pakistanis marry just to acquire semipermanent visa status. The feature story insults Japanese-Pakistani couples who married with careful thoughts and love."

Sekiguchi said they have already collected more than 100 signatures.

THEMIS canceled sales of its July 17 issue containing a story saying that the recent stock scandal in which major securities firms had compensated large clients for losses was linked to the replacement of the national tax administration agency chief. The tax administration obtained an advanced copy of the story and lodged a protest, which caused THEMIS on July 10 to cancel not only the July 17 issue, but all future issues, THEMIS editors said.

LDP'S Watanabe Flies to Khabarovsk for Study

OW2207102891 Tokyo KYODO in English 0824 GMT 22 Jul 91

[Text] Niigata, July 22 KYODO—Senior conservative politician Michio Watanabe flew Monday to Khabarovsk on a six-day tour of the Soviet Far East to study military and economic affairs.

Watanabe, head of the ruling Liberal Democratic Party's (LDP) fourth largest faction, will tour Khabarovsk, Vladivostok, Nakhodka, and Sakhalin island.

He is returning to Tokyo on Saturday.

Watanabe, who once served as finance minister and chairman of the LDP policy board, is reported to be vying for the presidency of the LDP, which carries with it the post of prime minister, this autumn. Prime Minister Toshiki Kaifu's two-year term as LDP president is due to expire on October 30.

Watanabe's faction was previously headed by former Prime Minister Yasuhiro Nakasone.

Automakers Publish Pamphlet on Trade Surplus

OW2007114191 Tokyo KYODO in English 0748 GMT 20 Jul 91

[Text] Tokyo, July 20 KYODO—The Japanese auto industry Saturday published an English-language pamphlet to publicize their efforts to reduce Japan's towering auto and auto parts trade surplus with the United States.

The pamphlet, compiled by the Japan Automobile Manufacturers Association, says Japanese automakers bought 9 billion dollars worth of U.S. car parts last year, 6.25 times more than five years before. The figure includes purchases by Japanese automakers' subsidiaries in the United States. It also defended Japan's auto dealerships, under fire from Washington as excluding foreign competitors.

The massive trade imbalance in auto and auto parts has come to the fore as a major bilateral dispute, because the U.S. is unhappy that its products are shut out from Japan while Japanese makers have taken an increasingly large chunk of the U.S. market. The imbalance in auto and auto parts trade accounts for one-third of the total U.S. trade deficit with Japan last year, running at 41 billion dollars.

U.S. President George Bush urged Japanese Prime Minister Toshiki Kaifu to increase Japanese purchases of American cars and auto parts when they met earlier this month in Kennebunkport, Maine. The two countries will hold two days of talks on car parts trade next week in Tokyo.

Rightists Crash Vehicle Into Soviet Embassy

OW2207140191 Tokyo KYODO in English 1332 GMT 22 Jul 91

[Text] Tokyo, July 22 (KYODO)—Members of a rightist group broke through a police checkpoint in central Tokyo on Monday and rammed their jeep into a gate at the Soviet Embassy.

Police arrested the driver of the jeep, Shinichi Sekiguchi, 32, of Tokyo, a member of the rightist group Taikosha, and an unemployed 18-year-old boy from Gunma Prefecture and charged them with property damage and destruction.

Police said four Taikosha vehicles were parading through the streets near the embassy with their loudspeakers blaring. As they neared one checkpoint manned by riot police, the vehicles suddenly sped through the point. The lead jeep then cut across the opposite traffic lane and rammed into the gate of the Soviet Embassy around 5:35 P.M. [0835 GMT].

One of the riot police at the checkpoint was slightly injured when he was hit by the vehicle restraints as the jeep and trucks broke through.

Police are investigating the motives for the attack. The Soviet Embassy has long been a favorite target for loudspeaker campaigns by rightists demanding the return of the four Soviet-held islands off the coast of Hokkaido, northern Japan.

No Injuries in Rocket Attack on Defense Agency

OW2107041891 Tokyo KYODO in English 0411 GMT 21 Jul 91

[Text] Tokyo, July 21 KYODO—Two homemade rocket shells were fired toward the Defense Agency in central Tokyo early Sunday morning in an apparent attack by radicals, police said.

No injuries or damage were reported, police said.

Police said they discovered two rocket shells in the compound of the agency in Tokyo's Minato Ward and two launchers set on a road about 300 meters away from the agency.

The shells were about three centimeters in diameter and 20 to 25 centimeters long, police said.

Police quoted local residents as saying that they heard three blasts around 5 A.M.

Police believe the launchers had self-destruct mechanisms that went off after they launched the shells.

Police suspect radicals conducted the attack to protest the deployment of Japanese Self-Defense Force minesweepers to the Persian Gulf.

Japan sent the SDF vessels to clear mines laid by Iraqi forces during the Persian Gulf war.

Tokyo Plans Bill on SDF Overseas Disaster Aid

OW2007042691 Tokyo KYODO in English 0358 GMT 20 Jul 91

[Text] Tokyo, July 20 KYODO—The government is planning to submit bills to an extraordinary Diet session opening early August to send the Self-Defense Forces (SDF) abroad for natural disaster relief, government sources said Saturday.

The sources said the government will deal separately with SDF dispatches for natural disaster relief abroad and cooperation in UN peacekeeping operations.

The bills would revise the Self-Defense Forces Law and a law on the dispatch of International Emergency Assistance Corps, the sources said.

The ruling Liberal Democratic Party (LDP), Komeito, and the Democratic Socialist Party (DSP) agreed last November a peacekeeping corps could participate in disaster relief activities abroad under the law on international emergency assistance dispatch.

However, Foreign Minister Taro Nakayama said the Peacekeeping Operations Bill is only for assisting UN operations such as ceasefire and election monitoring, while other government sources expressed doubts on whether a peacekeeping corps could partipate in relief activities.

As a result, the government has decided to deal separately with the SDF dispatches for natural disaster relief abroad and the Peacekeeping Operations Bill, the government sources said.

LDP's Obuchi on Peacekeeping Operations Bill

OW2107045191 Tokyo NHK General Television Network in Japanese 0300 GMT 21 Jul 91

[Text] Speaking at a news conference today, Secretary General Obuchi of the Liberal Democratic Party [LDP] discussed a bill on a new organization for UN peacekeeping operations, saying that the party will work out a bill from a government draft and in consultation with other parties. Mr. Obuchi said he aims to have the bill passed at the next extraordinary session of the Diet.

Referring to the bill on a new organization to take part in UN peacekeeping operations, Secretary General Obuchi said that the government is currently preparing a draft. Noting his understanding that government offices concerned have not been able to consolidate their views on the peacekeeping force issue, he added he will issue a strong request that the government come up with a draft, if possible, before the convocation of the next extraordinary session of the Diet.

Once the draft is prepared, he said, he will make efforts to finalize a bill in consultation with other parties, based on the agreement of three parties—the LDP, Komeito, and the Democratic Socialist Party [DSP]. Even where the Social Democratic Party of Japan [SDPJ] is concerned, if the party is willing to participate in discussions on this along the lines of thinking by the three parties—the LDP, Komeito, and the DSP—the SDPJ will be included in preparing the bill, he explained. He said he wants the bill to be introduced at and approved during the next extraordinary session of the Diet.

Nomura Securities Chairman, Vice Chairman Quit

OW2207102991 Tokyo KYODO in English 0831 GMT 22 Jul 91

[Text] Tokyo, July 22 KYODO—The Chairman and Vice Chairman of Nomura Securities Co. resigned Monday from their posts to take responsibility for a series of scandals involving the company, the world's biggest brokerage.

Setsuya Tabuchi, the chairman, and Yoshihisa Tabuchi (no relation), the vice chairman, were demoted to advisers without representation rights, company officials said.

Yukio Aida, special adviser to Nomura, was also appointed as honorary chairman at an extraordinary directors' board meeting which decided on the two Tabuchis' resignation, company officials said.

Nomura, Nikko Securities Co., Daiwa Securities Co., and Yamaichi Securities Co. admitted compensating some institutional investors for trading losses. Nomura and Nikko Securities Co. were also linked with organized crime figures.

Setsuya Tabuchi early this month was dismissed as vice chairman of the Organization of Economic Organizations (Keidanren) after the scandals were exposed.

The disclosure of the big four brokerages' scandals led to a punitive pay cut for Finance Minister Ryutaro Hashimoto and other Finance Ministry officials.

Yoshihisa Tabuchi resigned as president of Nomura in late June following the disclosure of the scandals to become vice chairman.

Kaifu Calls Resignations 'Right'

OW2207143591 Tokyo KYODO in English 1317 GMT 22 Jul 91

[Text] Tokyo, July 22 (KYODO)—Prime Minister Toshiki Kaifu indicated Monday the resignations of two top officials of the scandal-plagued Nomura Securities Co. are right decisions.

"From the very beginning, I have told the Finance Ministry to deal sternly with the scandals. Though the government is not positioned to comment, it is necessary to make it clear who are responsible," Kaifu told reporters.

Nomura's chairman, Setsuya Tabuchi, and the vice chairman, Yoshihisa Tabuchi, resigned from their posts to take responsibility for the series of disclosures over the shady business practices of the world's biggest brokerage. However, they will remain as advisers to the company.

Meanwhile, the Finance Ministry denied speculation that it put pressure on Nomura to take action against the two officials.

"Nomura made decisions on its own," a ministry official said.

When Yoshihisa Tabuchi resigned as president in late June after the scandals came to the fore, the ministry indicated it had known of the move in advance.

Business Shows Mixed Reaction

OW2207145191 Tokyo KYODO in English 1413 GMT 22 Jul 91

[Text] Tokyo, July 22 KYODO—The resignation of the two top officials of Nomura Securities Co. drew mixed reactions from Japan's business and securities industry circles Monday.

Nomura Chairman Setsuya Tabuchi and Vice Chairman Yoshihisa Tabuchi resigned from their posts the same day due to the scandal over the company's payouts to favored clients and links with a major crime syndicate.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said he deeply regretted that things had developed in such a way and hoped the securities industry would quickly recover from the news of their resignations.

Masaru Hayami, chairman of the Japan Association of Corporate Executives, also lamented the departure of the two Nomura officials. "It is regrettable because Mr. (Setsuya) Tabuchi is not only a capable manager but also a big contributor to nurturing the Japanese securities sector," he said.

He said the decision "was apparently made in consideration of the big impact the scandal has had both at home and abroad."

But some industry officials accepted the resignations as a matter of course.

One Nomura official said, "With the scandal snowballing to such an extent, they were forced to resign sooner or later."

Many people have been critical of Nomura's half-hearted handling of the scandal, saying it was wrong to think the earlier resignation of Yoshihisa Tabuchi as president could alone resolve the issue.

Takeshi Nagano, president of the Japan Federation of Employers' Associations, said the decisions were "inevitable," given the high public profiles of companies.

The resignations upset some in the securities industry, already shaken by the proliferating scandals involving not only the "big four" brokerage houses but also smaller firms.

"I am shocked because leading figures like the Tabuchis will recede from the front line at a time when we must unite our efforts to restore the industry," said an official with Nikko Securities Co., whose former president, Takuya Iwasaki, also resigned June 24 over his firm's involvement in the scandal.

Securities Regulators Agree on Cooperation

OW1907164291 Tokyo KYODO in English 1447 GMT 19 Jul 91

[Text] London, July 19 KYODO—Securities regulators from Japan, the United States, and Britain agreed Friday to exchange information "rapidly" when problems appear likely to hurt international securities trading.

After two-day talks outside London, the regulators said they "agreed to promote wherever possible efforts for sharing surveillance information between exchanges and regulators that would facilitate the detection and pursuit of attempts to manipulate markets."

But, in a two-page statement, they cautioned that "such arrangements should not impede the development of new products or risk management techniques."

The statement was issued jointly by the securities bureau of the Japanese Ministry of Finance, the U.S. Securities and Exchange Commission, and Britain's Department of Trade and Industry and the Securities and Investment Board.

In their statement, the regulators also pledged to develop common regulatory principles to facilitate international business involving institutional and other professional investors.

Among other things, they recommended developing principles for regulating investment advisory and discretionary fund management services for corporate clients.

The appeal came in the wake of the Tokyo securities scandal sparked by massive payments that Japan's "Big Four" brokerage houses made to favored corporate clients to cover trading losses.

Discretionary accounts held by corporate clients at securities companies have been cited as a major factor behind the payback scandal. Such accounts give securities companies control over investment decisions on a client's funds.

Teruaki Uchida, deputy director general of Japan's Securities Bureau, said he briefed his U.S. and British counterparts on the scandal.

At a press conference after the talks, Uchida said the Finance Ministry's probe of the scandal has found that U.S. and British subsidiaries of the Big Four are not related to the scandal in Japan at all.

Big 4 Firms Urged To Admit Scandal Involvement

OW2007163791 Tokyo KYODO in English 1017 GMT 20 Jul 91

[Text] Oyama, Shizuoka Pref., July 20 KYODO—Gaishi Hiraiwa, chief of Japan's most powerful business organization, Keidanren, called on companies that have received compensation from the "big four" brokerage houses to admit their involvement in the case.

"This should be decided by the parties concerned, but it is better for companies to make themselves transparent to society," Hiraiwa told a press conference after an annual three-day forum of the Federation of Economic Organizations (Keidanren).

He said he does not agree with the view expressed Friday by Kenjiro Hata, the new chairman of the Life Insurance Association of Japan, that the companies' names should not be made public.

Hata told a press conference that "It is better not to publish the names, because such a disclosure would further erode faith in securities companies and cause confusion."

The Big Four—Nomura Securities, Daiwa Securities, Nikko Securities, and Yamaichi Securities—reportedly paid 124.6 billion yen to 229 companies to cover their losses in securities transactions. The brokerages have refused to give the names of the favored companies.

Hiraiwa was also critical of what he sees as the government's halfhearted approach to the scandals.

"There are some types of 'administrative guidance' which are not written on paper and thus untransparent. All the guidance should be clear to everyone," he said.

The Ministry of Finance often issues instructions in the form of technically non-binding "guidance."

Meanwhile, the Keidanren forum agreed to set up a special committee to study ways for forestalling future misdeeds by securities companies. Discussions at the committee will include whether to form a securities watchdog like the U.S. Securities and Exchange Commission (SEC) and to revise Japan's securities law.

More Securities Compensation Deals Revealed

OW2107053291 Tokyo KYODO in English 0505 GMT 21 Jul 91

[Text] Tokyo, July 21 KYODO—More than 30 medium- and small- sized securities houses paid favored clients about 20 billion yen in compensation for losses from trading in stocks and bonds, securities industry sources said Saturday.

The revelation follows the recent disclosure of similar payments totaling 124.5 billion yen made by Japan's big four brokers—Nomura Securities Co., Daiwa Securities Co., Nikko Securities Co., and Yamaichi Securities Co.

Among the second-tier brokers. New Japan Securities Co. ranked on top, with compensation payments of about 14 billion yen, followed by Kankaku Securities Co. and Wako Securities Co., each of which paid about 2 billion yen in compensation.

Payments for covering investment losses by other brokers ranged from tens of millions of yen to hundreds of millions of yen, the sources said.

They made the payments through bond deals with favored clients who suffered big losses as a result of plunge in stock prices.

Some of the payments included amounts the brokerages failed to declare as taxable income, and the National Tax Agency is expected to charge them an additional tax penalty soon, the sources said.

The Securities and Exchange Law bars brokerages from compensating customers for their losses only when the compensation was promised in advance. Paying compensation that was not promised beforehand is not against the law but violates a December 1989 directive of the Finance Ministry ordering brokerage firms to refrain from making compensation.

Court Orders BCCI Branch To Protect Assets

OW2207063591 Tokyo KYODO in English 0624 GMT 22 Jul 91

[Text] Tokyo, July 22 KYODO—The Tokyo District Court on Monday ordered the Tokyo branch of the Abu Dhabi-controlled Bank of Credit and Commerce International (BCCI) to protect its assets.

The Finance Ministry said the court gave the order under the Japanese Commercial Code at the request of the ministry.

The court is expected to start liquidation proceedings against the branch, which the BCCI voluntarily closed July 8.

Finance Ministry investigations showed the branch's deficits exceeded its capital, ministry officials said.

The unprecedented action against a foreign bank in Japan followed similar measures taken recently by banking regulators in other countries, led by the Bank of England, against BCCI branches worldwide, for alleged fraud involving the Luxembourg-based bank.

Depositors at the Tokyo branch are mostly corporate customers, including Ishikawajima-Harima Heavy Industries Co.

The branch's major customers earlier asked the Tokyo District Court to order protection of the bank's assets.

Financial sources said the branch has moved most of its deposits into overseas accounts and now has little cash at hand. They said its deposit balance amounted to about 60 billion yen when it closed voluntarily.

Bank of Japan Changes Exchange Procedure

OW2207140391 Tokyo KYODO in English 1340 GMT 22 Jul 91

[Text] Tokyo, July 22 (KYODO)—The Bank of Japan [BOJ] will seek to revamp the foreign exchange settlement procedure following the international banking fraud scandal that put a Japanese commercial bank in trouble over the settling of its currency transactions, BOJ sources said Monday.

The Industrial Bank of Japan [IBJ], the nation's top long-term credit bank, recently found it could not receive the dollars it had bought with the yen from the Bank of Credit and Commerce International [BCCI] SA when the Bank of England coordinated a worldwide move to freeze the assets of the BCCI.

The IBJ bought about 30 million dollars with some 4 billion yen in Tokyo interbank trading July 5.

But the Bank of England suspended the operation and froze the assets of the Luxembourg-based bank after Tokyo trading was closed, making it impossible for the IBJ to receive the dollars.

International settlement of dollars purchases can now only be made in New York.

The BOJ will probably call on the Bank for International Settlements (BIS) to modify the foreign exchange settlement procedure so that transactions that have occurred in Tokyo can be settled in New York before the Tokyo market is closed, the sources said.

The BCCI scandal also cast a spotlight on the law enforcement problems concerning banks operating internationally.

One of the problems is which country should mainly deal with a case that involves a bank headquartered in a different country where its main business functions are located, like the BCCI.

Also requiring reconsideration is the issue of how to liquidate assets and distribute them fairly among creditors when the creditors are scattered in many countries.

LDP Secretary General on Next Diet Session

OW2007140191 Tokyo NHK General Television Network in Japanese 1000 GMT 20 Jul 91

[Text] Keizo Obuchi, secretary general of the ruling Liberal Democratic Party [LDP], visited Matsue today to attend a party meeting. Speaking at a news conference held in the city following the meeting, Mr. Obuchi touched on the extraordinary Diet session scheduled for 5 August, expressing his hope that the session will continue through the end of October, when Prime Minister Kaifu's term as the LDP president expires. At the news conference, Secretary General Obuchi said: In practice, the next extraordinary Diet session should be held until December, when an ordinary Diet session is called. Because Prime Minister Kaifu's term as LDP president expires at the end of October, I hope that the next extraordinary Diet session will be held at least through the end of October.

Regarding the question of setting up a special parliamentary committee to probe the recent stock scandal, Mr. Obuchi said: So far, such a special committee has already been set up for deliberating and packaging various bills at the Diet, and, at present, it is uncertain what sort of bill concerning the stock scandal will be introduced to the special committee. If such a bill is introduced, it would be appropriate for the Finance Committee to deal with it. In this way, Mr. Obuchi reaffirmed his negative attitude toward setting up a special committee to deal with the stock scandal. Regarding the question of asking senior officials of securities companies to testify at the Diet, Secretary General Obuchi only said that the question should be carefully considered.

[In a related item, Tokyo KYODO in English at 1153 GMT on 20 July reports that Obuchi also said that the LDP is ready "to promote a probe in the Diet" into the current stock scandal. KYODO adds that Obuchi told the Matsue news conference that "it is 'natural' for the Diet to look into the scandal," but he "stopped short of committing himself to an opposition demand that the government unveil a list of favored clients and that the Diet summon executives from the brokerages to the Diet as full-fledged witnesses." KYODO continues: "Obuchi said that some measures to prevent a recurrence of such scandals should be taken through Diet debate to 'revitalize the free market economy.'"]

Nuclear Disaster Prevention Cooperation Pledged

OW2007082691 Tokyo KYODO in English 0704 GMT 20 Jul 91

[Text] Tokyo, July 20 KYODO—Japan will cooperate with three other nations in developing a diagnostic system to prevent accidents at nuclear power plants, the Ministry of International Trade and Industry said Saturday.

The other countries taking part in the project are the United States, France, and Germany.

The project calls for developing a system to diagnose the presence of damage in a reactor and its peripheral parts at nuclear power plants in operation, ministry officials said.

The participating countries will provide data and technology collected in tests conducted independently on nuclear power facilities to complete a highly reliable system, the officials said.

The collaboration stemmed from an agreement at the recent London summit of seven Western industrialized nations to promote nuclear power generation, they said.

The ministry's Resources and Energy Agency hopes to test the new system at nuclear power plants in Japan in 1993 to help develop a comprehensive diagnostic technology to detect worn or fatigued components, the officials said.

They said the existing system using ultrasonic or electric current devices used in Japan is unable to detect fatigue-related cracks, erosion, and other damage to nuclear plants.

The proposed diagnostic system, if completed, could prevent accidents at nuclear power facilities in the future, the officials said.

Labor Negotiations Gain 5.65% Wage Hike

OW2007032391 Tokyo KYODO in English 0229 GMT 20 Jul 91

[By Tadashi Matsumoto]

[Text] Tokyo, July 20 KYODO—Japanese managements and trade unions in the private sector have declared the end of their annual labor negotiations this year with an average wage hike of 5.65 percent and an agreement to accelerate the introduction of shorter working hours, Labor Ministry officials said.

The average wage rise is down 0.29 percentage points from last year, said the officials, who investigate the salary hikes of 289 major companies across the country.

Japan's largest trade union confederation Rengo, spanning the private and the public sectors, said 1,326 individual trade unions have gained a 5.66 percent average wage increase in what is called the Spring Labor Offensive (Shunto).

The 267,000-strong Confederation of Japan Automobile Workers' Unions gained 5.59 percent or 14,250 yen per month in wage hikes, while the 154,000-member Japanese Federation of Iron and Steel Workers' Union (Tekkororen) obtained a 11,502 yen or 4.39 percent increase.

Seigo Yamada, general secretary of Rengo, which has 8 million members, said unions can achieve "a certain advancement" of wages in negotiations with managements despite the efforts of firms to restrain increases.

Senior officials of the Japan Federation of Employers' Associations (Nikkeiren) sought annual increases of 2.5 percent to 3 percent shortly after Rengo set its claim at 8-9 percent in January.

Takuji Yamahara, manager of Nikkeiren's Labor Policy Division, said about 60 percent of employers are satisfied with the final settlement in light of future business and economic uncertainties.

On wage hikes in the public sector, Yamada said Rengo wants the National Personnel Authority to make a recommendation to the government on wage increases for national government employees next month that reflects the raises gained by their private sector counterparts.

The authority is expected to recommend raising their salaries by about 3.5 percent, down from 3.67 percent last year, authority sources said.

In another key issue of wage negotiations, executives and union leaders in the steel industry agreed to trim annual working hours to between 1,800 and 1,900 in the mid-1990s from the current 2,000.

Yamahara said about one third of 330 companies surveyed are endeavoring to shorten working hours.

Japanese worked an average 2,044 hours in 1990 compared with the 1989 figures of 1,957 hours by U.S. workers, 1,989 hours in Britain, 1,646 hours in France, and 1,638 hours in the former West Germany.

The government has set a target of 1,800 annual working hours by Fiscal 1992, ending March 1993.

Yamada said, "Rengo will make every effort to bring the annual working hours as close as possible to 1,800 hours by 1993, although it might be difficult to achieve."

Takashi Sakuma, a senior official at the Economic Planning Agency, expressing a personal view, said union leaders needed to change the consciousness of workers accustomed to working overtime to earn extra wages.

Yamada said Japanese workers have yet to achieve living standards equivalent to U.S. and West European salary earners, adding Rengo will continue its struggle to improve standards in next year's spring offensive.

Sakuma said economic circumstances are not expected to be bad for next spring's wage negotiations, as the long-term business boom will probably continue.

North Korea

Cambodia's Sihanouk Arrives for Visit 20 Jul

SK2007050791 Pyongyang KCNA in English 0458 GMT 20 Jul 91

[Text] Pyongyang July 20 (KCNA)—His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, arrived here today by special plane for a visit to Korea.

He is accompanied by Prince Norodom Ranariddh, member of Supreme National Council, and others.

They were met at the airport by Vice-president Yi Chong-ok and Vice-premier and Foreign Minister Kim Yong-nam.

A welcome ceremony took place at the airport.

Welcomed by Yi Chong-ok, Others

SK2007101891 Pyongyang KCNA in English 1002 GMT 20 Jul 91

[Text] Pyongyang July 20 (KCNA)—His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council [SNC] of Cambodia, arrived here today by special plane for a visit to Korea.

He is accompanied by Prince Norodom Ranariddh, Hun Sen, Hor Namhong and Im Chhun Lim, members of the Supreme National Council, and others.

Portraits of President Kim Il-song and His Royal Highness Samdech Norodom Sihanouk were set up at the airport, flanked on either side by the slogans "Long live the great leader Comrade Kim Il-song!" and "Long live His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia!"

The slogans "Warm welcome to the members of the Supreme National Council of Cambodia with His Royal Highness Samdech Norodom Sihanouk as its chairman!" and "Long live militant friendship and solidarity between the peoples of Korea and Cambodia" were also seen.

His Royal Highness Samdech and his party were met at the airport by Vice-President Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam and Vice-Minister of Foreign Affairs Cho Kyu-il.

Cambodian Ambassador to Korea Son Chhum and his embassy officials and foreign diplomatic envoys were present there.

A welcome ceremony took place at the airport.

The national anthems of the SNC of Cambodia and Korea were played.

His Royal Highness Samdech Norodom Sihanouk in company with Vice-president Yi Chong-ok reviewed a guard of honor of the three services of the Korean People's Army.

A large crowd of Pyongyang citizens with the flags of the two countries and bunches of flowers in their hands warmly welcomed the Cambodian guests at the airport.

Received by Kim Il-song 21 Jul

SK2107112191 Pyongyang KCNA in English 1047 GMT 21 Jul 91

[Text] Pyongyang July 21 (KCNA)—The great leader President Kim Il-song on July 21 met with His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, on a visit to Korea.

Present on the occasion were Prince Norodom Ranariddh, Hun Sen, Hor Namhong and Im Chhun Lim, members of the Supreme National Council.

On hand were Vice-Premier and Foreign Minister Kim Yong-nam and Vice-Minister of Foreign Affairs Cho Kyu-il.

President Kim Il-song had a cordial and friendly conversation with His Royal Highness Samdech Norodom Sihanouk.

Attends Musical Performance

SK2107113191 Pyongyang KCNA in English 1052 GMT 21 Jul 91

[Text] Pyongyang July 21 (KCNA)—A music and dance performance was given today in honour of His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council (SNC) of Cambodia, on a visit to Korea.

The great leader President Kim Il-song saw the performance together with the Samdech.

Invited to see the performance were members of the SNC Prince Norodom Ranariddh, Hun Sen, Hor Namhong and Im Chhun Lim, and others and Cambodian Ambassador E.P. to Korea Son Chhum.

Vice-premier and Foreign Minister Kim Yong-nam, Vice-minister of Foreign Affairs Cho Kyu-il, officials concerned and working people saw it with the guests.

The performance was acclaimed by the audience.

His Royal Highness Samdech Norodom Sihanouk, together with President Kim Il-song, congratulated the artistes on their successful performance.

Attends Banquet With Kim Il-song

SK2107112691 Pyongyang KCNA in English 1049 GMT 21 Jul 91

[Text] Pyongyang July 21 (KCNA)—The great leader President Kim Il-song arranged a banquet on July 21 in honor of His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, on a visit to Korea.

When President Kim Il-song in company with Samdech Norodom Sihanouk appeared at the banquet hall, the entire participants warmly welcomed them with a thunderous applause.

President Kim Il-song made a speech at the banquet.

Samdech Norodom Sihanouk made a speech.

Present on invitation were Prince Norodom Ranariddh, Hun Sen, Hor Namhong and Im Chhun Lim, members of the Supreme National Council, and others.

Also invited there was Cambodian Ambassador to Korea Son Chhum.

Present were Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Minister of Foreign Affairs Cho Kyu-il and other officials concerned.

The banquet proceeded in a friendly and cordial atmosphere.

Congratulated by Kim Il-song

SK2207101091 Pyongyang Korean Central Broadcasting Network in Korean GMT 91

[Speech by Kim Il-song at a banquet arranged for Norodom Sihanouk on 21 July, place not given—read by announcer]

[Text] Esteemed Your Royal Highness Samdech Norodom Sihanouk and esteemed Your Excellency Hun Sen: At this meeting I once again warmly congratulate your Royal Highness Samdech Norodom Sihanouk for your inauguration as chairman of the Supreme National Council [SNC] of Cambodia. I express thanks to you for your visit to our country, the first foreign visit together with members of the SNC after becoming its chairman, and warmly welcome you on behalf of the DPRK Government and all of the Korean people and on my own behalf.

We are very much pleased to hear that at the recent meeting of the SNC of Cambodia held with Your Highness Samdech Norodom Sihanouk as chair, all the members of the council and various factions unanimously acclaimed you Samdech as the leader and father of the nation and chairm.

It is our hope that various factions of Cambodia will become united and rally all the Cambodian people behind you Samdech and vigorously advance to build an independent, neutral, nonaligned new Cambodia. The Korean people have always been with the Cambodian people and will, in the future, too, firmly stand by them. We will in future actively support your neutral and nonaligned policy and join you in the efforts to build an independent, new society and achieve world peace.

Today I am very much pleased with my acquaintance with Your Excellency Hun Sen thanks to you Samdech. We have met with each other for the first time today byt will become familiar with each other in the future. I hope that we will in the future advance hand in hand as friends.

At this significant meeting, I propose a toast to the long life and good health of His Royal Highness Samdech Norodom Sihanouk; to the health of Monique Sihanouk, the wife of Samdech Sihanouk; to the health of His Excellency Hun Sen, members of the SNC, and their wives; and the health of those present here.

Addresses Pyongyang Banquet

SK2207060191 Pyongyang KCNA in English 0508 GMT 22 Jul 91

[Text] Pyongyang July 21 (KCNA)—His Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, made a speech at a banquet arranged today by the great Leader President Kim Il-song in his honour.

Noting that President Kim Il-song is the first head of state in the world to greet the delegation of the Supreme National Council of Cambodia, he said:

Your Excellency Marshal, president of the Democratic People's Republic of Korea, rendered most positive support and encouragement and gave various forms of aid consistently when Cambodia and her people and legitimate leaders were waging the anti-imperialist national-liberation struggle, especially when the Cambodian patriots and four Khmer factions were struggling for national reconciliation and peace, for national independence and freedom, sovereignty and independence and territorial integrity.

A concrete solution to the tragic Cambodian issue has been found through several successful meetings of the Supreme National Council of Cambodia in Phatthaya, Thailand, and Beijing.

Your Excellency, the great leader of the heroic Korean people, have made a historical contribution to finding a just and reasonable solution to the Cambodian issue.

The Supreme National Council and all the people and nation of Cambodia deem it a high honour to pay through me warm homage, representing their reverence, to Your Excellency Marshal Kim Il-song and express eternal thanks to the glorious Democratic People's Republic of Korea which is under your wise leadership.

Cambodia and her people have restored peace after undergoing ruins, poverty and hardships caused by many years of the war and now came to undertake the difficult and challenging work of national reconstruction.

Our country and its people and leaders know that Your Excellency, the great leader, and the so developed, glorious DPRK will be able to render kind aid and cooperation in carrying out this new, vast task.

And our people in Cambodia will follow the proud example Your Excellency, the great leader, and the dear leader His Excellency Kim Chong-il and the authoritative Workers' Party of Korea and the valiant Korean people are showing the peoples of Third World countries in the work of national reconstruction.

Your Excellency, the great leader, are a beacon lighting the path ahead of us. You have turned the DPRK into a country most developed and advanced in all domains of chuche-inspired socialist construction, into a genuine earthly paradise for the people in a historically very short period of time.

The DPRK is forcefully advancing toward a brightest future at the highest speed of Chollima on the basis of the truth of chuche and independence.

Our people in Cambodia will get great inspiration from the matchlessly fine paragon you are showing in your work.

If Your Excellency allow, the Supreme National Council of Cambodia will come to Pyongyang in April 1992 on the occasion of your auspicious 80th birthday and have the highest honor to pay homage full of our most reverential and grateful feelings and extend warmest congratulations to Your Excellency, the respected and great leader, and wish good health and long life and eternal glory to Your Excellency, the sun of mankind, in the name of the entire Cambodian people and nation.

A Cambodian art troupe, together with art troupes of other countries, will also come to Pyongyang for the spring festival of 1992 and give congratulatory performances.

Unified Cambodia will always stand firm on the side of the Democratic People's Republic of Korea under your wise leadership and fully support most wise, just, reasonable and patriotic proposals for the independent reunification of Korea.

Departs With Delegation 22 Jul

SK2207104691 Pyongyang KCNA in English 1031 GMT 22 Jul 91

[Text] Pyongyang July 22 (kcna)—Hun Sen, Hor Namhong and Im Chhun Lim, members of the Supreme National Council of Cambodia, and others left here today by plane.

They were seen off at the airport by his Royal Highness Samdech Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, Prince Norodom Ranariddh and other members of the council. Vice-premier of the Administration Council and Foreign Minister Kim Yong-nam and Vice-minister of Foreign Affairs Cho Kyu-il were also present at the airport.

Also on hand were Son Chhum, Cambodian ambassador, and other foreign diplomatic envoys here.

North Plans To Send Sympathizers to Detainees

SK1907123491 Pyongyang KCNA in English 1057 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—Our side notified the South side that a consolatory team of school youth and children and a consolatory team consisting of people of different circles will be sent to Seoul on July 25 and August 10 to see the Rev. Mun Ik-hwan and woman student Yim Su-kyong on the occasion of the 46th anniversary of the August 15 national liberation.

In this regard, Chong Chun-ki, chairman of the measure committee for the rescue of the Rev. Mun Ik-hwan, and Yo Yon-ku, chairman of the Korean committee of struggle for the release of Yim Su-kyong, today sent a telephone message to Choe Ho-chung, "deputy prime minister and minister of the Unification Board," and Kim Ki-chun, "minister of justice" of South Korea.

The message says:

We intend to send a team consisting of people of different circles and a team of school youth and children separately to Seoul to console the Rev. Mun Ik-hwan and woman student Yim Su-kyong, representing the ardent desire of all the people in the northern half of our country.

The 20-member consolatory team of school youth and children will be led by Choe Hyon-tok, chairman of the Korean Students Committee, and the same member team of people of different circles by Yo Yon-ku, Presidium member of the Central Committee of the Democratic Front for the Reunification of the Fatherland.

And the consolatory teams are expected to be accompanied each by 10 reporters.

The consolatory team of school youth and children is planning to pass through Panmunjom at 10:00 July 25 to visit Chongju Women Prison where student Yim Sukyong is in custody and then go to console Rev. Mun the following day.

And the team of people of different circles will go to Seoul on August 10 to console Rev. Mun and coed Yim.

The consolatory teams of our side also plan on these occasions to visit and console the families of Rev. Mun and coed Yim and Mr. Yu Won-ho and Father Mun Kyu-hyon and other visitors to the North.

In this connection, we request your side to send our side a note guaranteeing personal safety through Panmunjom before July 23 and, at the same time, provide necessary conveniences including transport and boarding.

The message hopes for an affirmative reply of the South side to the North side's compatriotic, humanitarian request.

CPRF Urges Abolition of National Security Law

SK2007043291 Pyongyang KCNA in English 0417 GMT 20 Jul 91

[Text] Pyongyang July 20 (KCNA)—The South Korean military fascist rulers must immediately abolish the "National Security Law," an anti-reunification fascist law, cancel illegal penalties upon the pro-reunification patriots including those concerned with Pomminnyon and release all the visitors to the North and political prisoners without delay, said the Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] in its information No. 598 issued on July 19.

Recalling that the South Korean rulers sentenced to two years in prison and three years of suspension of qualification Yi Chang-pok, co-chairman, and Kim Hui-tak, chief secretary, of the coalition for National Democratic Movement (Chonminnyon), who had been arrested after they organized the preparatory committee for the formation of the South side's headquarters of Pomminnyon, on the charge on "inaugurating of an organisation benefiting the enemy" under the "National Security Law", the information said:

This is one more fascist outrage committed by those who are afraid of the formation of Pomminnyon and a vicious challenge to the nation's desire for reunification.

It cannot be construed otherwise than a total denial of dialogue and contact with us to keep intact such anti-reunification fascist laws as the "National Security Law" under which we, fellow countrymen, are defined as an "enemy", as "members of an anti-state organisation", and those who have contact and discuss the reunification question with us are charged with crimes and punished.

The South Korean rulers are now intensifying the suppression of Pomminnyon officials by invoking the "National Security Law" in an attempt to foil at any cost the second pan-national rally slated in Seoul in August and put the brake on the movement for reunification which is gaining momentum in the North, the South and abroad.

The South Korean rulers should clearly understand that if they continue suppressing the pro-reunification patriotic figures, they will be branded as traitors to the nation who block reunification and face a severe judgement by history, warned the information.

Commentator Views Reunification Proposals

SK2007123091 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 15 Jul 91

[Commentary by station commentator Chong Pong-kil: "The Political Consultative Conference for National Reunification Must Be Convened"]

[Text] As is already known, Pak Song-chol, chairman of the North side's preparatory committee for the political consultative conference for national reunification, issued a statement on 14 July. In it, he proposed to convene the political consultative conference for national reunification with participation by authorities, political parties, and public organizations of the North and the South on the occasion of the 46th anniversary of the 15 August national liberation.

In the statement, he said that he had respectfully proposed to the South side to hold in Seoul or Pyongyang a political conference to be participated in by approximately 50 delegates each from the North and the South and by approximately five persons who are authorities, from political parties, or organizations of each side. He also had proposed to hold working-level talks between delegates of the authorities, political parties, and organizations of the North and the South at Panmunjom at the earliest date to successfully prepare for this historic meeting.

By seeking national agreement on the method of reunifying the country, this has become an ultimate and just proposal for giving 70 million people the prospect of a bright future for the national reunification and for laying a wide road for the nation-wide reunification movement.

Reflecting the aspiration of all the fellow countrymen who hope for the national reunification impatiently, the respected and beloved leader Comrade Kim Il-song, who is the lodestar of the national reunification, in his New Year address, expounded the great principles for the national reunification through a confederal system based on one nation, one state, two systems, and two governments. In addition, in order to reach the national agreement on reunification through a confederal system, he offered a epoch-making proposal for convening the political consultative conference for national reunification.

In order to prepare for this historic meeting, we held a joint conference with participation by the government, political parties, and organizations of the Republic at the outset of this year. We have already sent authorities, political parties, and public organizations of South Korea letters on convening the political consultative conference for national reunification to be participated in by authorities, political parties, and public organizations of the North and the South on the occasion of the 46th anniversary of the 15 August national liberation. In addition, we have made every effort for its realization.

While saying that the issue of national reunification is, however, a pending issue that should be resolved within the current century, the South Korean authorities have persistently refused our proposal for adopting the national joint reunification plan.

The issue of national reunification is not one that should be resolved in the distant future, but one that should be resolved immediately. At a time when all the fellow countrymen have set a goal of turning the year of 1995 into the year of national reunification and are making efforts for its realization, the national agreement on the method of reunifying the country should be reached. Otherwise, campaigns for national reunification conducted in the North, South, and overseas will not be promoted to reunify the country and national reunification will not be realized in the 1990s, which is what all the people want.

In addition, we hope that the dissident organizations, political parties, and figures of various strata of South

Korea will present their method of reunifying the country and discuss with us the resolution of the national reunification.

No matter how loudly they, turning away from such situations, babble about reunification and exchanges, their remarks are only empty words and a ruse to cheat public opinion.

There is no reason for the South Korean authorities to refuse to accept our proposal for convening the political consultative conference for national reunification. In our proposal, there is no selfish intention or maneuver that will favor one side and harm the other side.

We do not mean that the political consultative conference for national reunification should be a large-scale rally to be participated in by tens of thousands of people. In addition, we do not mean that we should force our own way onto the other side to accept our proposal nor do we advocate only our method for reunifying the country.

We are convinced that the proposal for founding a democratic confederal republic of Koyro is the most reasonable reunification plan that conforms with the situation in our country. However, we once expressed our position that we intend to discuss the issue of resolving the reunification issue through a confederal system by further enhancing the central government's functions in the future while provisionally giving more rights to the federal republic's local governments to more easily reach the national agreement on the proposal for national reunification.

In the political consultative conference for national reunification, we can discuss the method of reunifying the country expounded by the South Korean authorities along with our proposal. We can even discuss together the proposals presented by political parties, public organizations, and individuals of South Korea.

It is important that we should work out the most reasonable and realistic method of reunifying the country by reflecting the unanimous will of the nation. However, the competition between the North and South is not important. In addition, we are not to distinguish winner from loser in the relations between the North and the South.

In fact, our proposal for convening the political consultative conference for national reunification is a fair, just, and reasonable proposal that can be accepted by the people who really want the national reunification and who worry over the national destiny.

The South Korean authorities, political parties, and public organizations should immediately respond to our reasonable proposal for convening a political consultative conference for national reunification which reflects the unanimous desire and will of the whole nation.

Their positions on our proposal for the political conference are very important because this will be a touchstone that distinguishes the people who really want reunification from the people who do not want it.

Delegation Plans To Attend Preparatory Meeting

SK2007070391 Pyongyang Korean Central Broadcasting Network in Korean 0251 GMT 20 Jul 91

[Telephone message from Yun Ki-pok, chairman of North side's headquarters of Pannational Alliance for National Reunification (Pomminnyon), to South Korean Deputy Prime Minister and Unification Minister on 20 July—read by announcer]

[Text] To Choe Ho-chung, deputy prime minister and unification minister of the ROK:

As you know, on 16 July, our side proposed the holding of the second preparatory meeting with joint participation of relevant figures from the Pannational Rally and representatives of the authorities of both sides in Seoul on 25 July in order to successfully ensure the second round of the Pannational Rally.

In addition, the North side's delegation to the second preparatory meeting for the 91 Pannational Rally also made public on 17 July a statement concerning the canceling of the preparatory meeting, and revealed its plan to go to Seoul on 25 July to participate in the second preparatory meeting.

All this proceeded from a sincere position to commemorate the 46th anniversary of national liberation as common national festivals by realizing the 91 Seoul Pannational Rally, which has been planned and pushed ahead from a long time ago by broad patriotic reunification figures in the North, the South and overseas, and by jointly holding the celebrations of the national liberation anniversary which your side proposed in your 15 July northward statement.

If the second Pannational Rally, which 70 million fellow countrymen in the North, the South and overseas unanimously desire, is held, and if the issues, which your side proposed within this framework, are realized, a new turn will undoubtedly open in realizing the national reconciliation and unity and in expediting peace and reunification of the nation.

If your side truly has the intention of commemorating the forthcoming 15 August day as a common national festival, your side should discard the position to crush the 91 Seoul Pannational Rally and the reunification festival by youth and students in the North, the South and overseas, while talking about qualification of delegation, illegal rally and so forth. Your side should actively help and guarantee conditions so that the Pannational Rally and reunification festival by youth and students be properly held.

Since we put forward our 16 July proposal, we pay attention to your side's statement that you will actively carry out the working-level negotiations for adjustment of opinions.

Proceeding from this stance, we again inform you that we will dispatch a delegation, as already revealed, at 1000 on 24 July to participate in the preparatory meeting to discuss the issue of holding the Pannational Rally and reunification festival of youth and students on the occasion of the 15 August liberation anniversary.

Our delegation will include two more delegates of authorities in addition to the five delegates whom we have already informed you about.

I hope that your side will ponder our proposal and guarantee necessary conditions so that our delegation can go to Seoul safely and at the same time, the relevant figures of the South side for the Pannational Rally and delegates of your authorities will meet our delegation at Panmunjom.

Availing myself of this opportunity, as we repeatedly called for in the past, I strongly urge your side once again to release, before the preparatory meeting, all of the relevant figures of Pomminnyon and the National Council of University Student Representatives whom your side imprisoned.

I expect your affirmative reply.

Yun Ki-pok, Chairman of North Side's Headquarters of Pannational Alliance for National Reunification
20 July 1991

Attempt To Block Pannational Meeting Noted

SK2207100691 Pyongyang Korean Central Broadcasting Network in Korean 0013 GMT 20 Jul 91

[NODONG SINMUN 20 July special article: "A Vile, Criminal Act Aimed at Blocking the Pannational Meeting"]

[Text] The great leader Comrade Kim Il-song has taught: The South Korean authorities should discard the narrow-minded and dogmatic attitude of blocking even the dialogue between civilian people, while not intending to accelerate the North-South high-level talks, but should abolish the laws regarding the North as an enemy, should release without delay the figures of various circles arrested and imprisoned for visiting the North and meeting us overseas to discuss the reunification issue, and provide all the South Korean people with equal opportunities to freely contact and exchange dialogue with the North.

As has been reported, an agreement was made at the preparatory meeting for the 2d round of the pannational meeting held in Berlin last June that the 2d round of the pannational meeting for the peace and reunification of the fatherland will be held in Seoul from 12 to 18 August 1991. There is no doubt that the holding of the pannational meeting in Seoul this year after the historic 15 August pannational meeting in Panmunjom last year will bring forth an epochal phase in bringing an end to the long-accumulated distrust and misunderstanding within the nation and achieving national unity and contribute greatly to expediting reunification by further enhancing the unprecedentedly high mood for national unity and reunification.

Therefore, the entire nation, at the news of the convocation of the 2d round of the pannational meeting, warmly welcomes and fully supports the meeting as a grand significant meeting brilliantly reflecting the nation's consistent aspiration and will to achieve reunification earlier in the nineties and as another remarkable event to be recorded in the history of the nation's reunification movement. However, only the South Korean authorities are attempting, running counter to the entire nation's heightening zeal and expectations, to block the holding of the 2d round of the pannational meeting.

The South Korean ruling bunch on 17 July blocked the visit to Seoul by the North side's delegates to the preparatory committee for the 2d round of the pannational meeting, saying that it cannot approve the holding of the pannational meeting because the Pannational Alliance for Reunification [Pomminnyon] is an illegal organization, because the pannational meeting is part of the North's activities to overthrow the South, and because, therefore, it is an illegal meeting. This is an intolerable criminal act of throwing a wet blanket over the entire nation's yearning for reunification and of attempting to break up the pannational meeting, well revealing the antireunification splittist nature of the No Tae-u ring.

Because of the obstructive maneuvers of the South Korean ruling bunch, an abnormal condition is created in which the Seoul preparatory meeting has to be indefinitely postponed, and the 2d round of the pannational meeting is facing a grave challenge. The South Korean authorities are attempting to brand the Pomminnyon and the pannational meeting as an illegal organization and an illegal meeting. This is absurd and convinces no one.

The Pomminnyon is a patriotic organization for the reunification movement legally organized with the bodies, organizations, and figures from all walks of life in the North, the South, and from overseas aspiring for reunification. The Pomminnyon has already made clear its nature, mission, and objective, and as shown by its actual activities, the Pomminnyon is neither pro-North nor pro-South nor any organization designed to overthrow the system of either side. The Pomminnyon is the combined body of the patriotic reunification forces of the North, the South, and from overseas organized for national reconciliation and unity and for peace in the country and for national reunification. It is the vicious scheme of the splittists to block the reunification of the country to regard this Pomminnyon as an illegal criminal organization.

By describing the pannational meeting as an illegal meeting, the South Korean ruling bunch commits a vile act and an intolerable defilement of the entire nation longing for reunification.

The pannational meeting is provided by the entire nation, which is the main force of reunification, and it is a meeting which has the largest scale and the greatest authority for reunification. The reunification of the fatherland is so important an event connected with the fate of the nation that it should be realized in conformity with the general will of the nation; therefore, to this end, all the nation should actively participate in the reunification movement.

The pannational meeting is an excellent arena of negotiation that enables the stirring up of the entire nation toward the reunification movement and to unite it as one so as to expedite reunification. Rejecting this reunification meeting shows that the South Korean persons in authority do not have the will to achieve reunification. It is an even more vicious challenge that the South Korean persons in authority should babble about activities aimed at overthrowing the South in connection with the holding of the pannational meeting.

It was based on the South side's proposal that Seoul has been chosen as a venue for the 2d round of preparatory meeting for the successful holding of the second round of the pannational meeting. Reunification means uniting the separated North and the South into one. It is only too proper and natural that the delegates of the North—one of the two divided parts—should participate in the reunification meeting held in Seoul. How can those activities be aimed at overthrowing the South when their participants are those who aspire for reunification and sit together and discuss reunification?

That the No Tae-u ring describes Pomminnyon and the pannational meeting as this or that is absurd and cannot convince anyone. It is only an excuse designed to block the pannational meeting. This criminal act of the South Korean ruling bunch cannot be justified by anything whatsoever.

Last year the South Korean authorities did not say the pannational meeting was illegal, but allowed the delegates of the meeting to enter Seoul in order to attend the preparatory meeting there. As for the participation of the delegates of our side, they first approved it, though they blocked it later. They even staged a farce of a sort of negotiation with the South side's promotion headquarters for the pannational meeting. This means that the South Korean authorities, whatever their true intent might have been, in fact officially recognized the justness and legality of the pannational meeting and the patriotic organizations for reunification and democracy which initiated and sponsored it.

Nevertheless, they are attempting to block it, babbling about its illegality. This is nonsense. The South Korean ruling bunch, pretending not to oppose reunification in words, is in fact desperately blocking the dialogue of the patriotic reunification forces.

The puppets are scheming to have only the government-patronized organizations, which does not desire reunification, participate in the arena for dialogue under the initiative of the authorities. This is, after all, an act aimed at obstructing the reunification movement under the guise of an advocate for reunification.

The South Korean ruling bunch is pretending these days to have the will to do something for reunification raving about the national liberation day celebrations arranged by the authorities and the pilgrimage march. What about the exchange and dialogue while opposing all the reunification meetings, such as the second round of pannational meeting and 15 August grand reunification festival of the students from the North, the South, and overseas, and excluding all the organizations for reunification and democracy, such as the National Council of University Student Representatives [Chondaehyop] and the National Democratic Alliance of Korea [Chonminnyon]? This shows that the puppets are afraid of the unity and meeting of the patriotic reunification forces and that the reunification and dialogue which they babble about are designed to hide their splittist nature.

It has been known that No Tae-u, babbling about the improvement of North-South relations, loudly raved that he will take a progressive step. However, all that the South Korean authorities did was to refuse to accept the North side's delegates who wanted to participate in the second round of the preparatory meeting for the pannational meeting in Seoul, to brand the pannational meeting as an illegal meeting, to threaten to arrest the Chondaehyop delegates who went overseas upon their return, and to commit the fascist brutality of arresting and detaining many of the key members of the progressive democratic organizations, such as Chondaehyop and Chonminnyon. This is comparable to the act committed by the South Korean authorities in which during the 13th World Festival of Youth and Students they said that they would allow Chondaehyop to participate in it and then blocked the group with bayonets. This, therefore, is not a progressive step but a backward step.

If the South Korean ruling bunch truly has a will to realize reunification, it should not obstruct the holding of the pannational meeting, if not cooperate for it and participate in it, and provide all the necessary conditions. In particular, it should immediately release the patriotic reunification figures, including Mun Ik-hwan, Yim Su-kyong, and Mun Kyu-hyon who were arrested and imprisoned for visiting the North for reunification and for meeting us in the North and overseas for reunification dialogue, and the Pomminnyon officers.

The attitude toward the second round of the pannational meeting is a criterion to determine who truly wishes reunification and who seeks division. The South Korean persons in authority should squarely see the general trend of the times and act with discretion.

South's Assembly Leader's Statement Viewed

SK2007050391 Pyongyang KCNA in English 0434 GMT 20 Jul 91

["Fascist Hangman's 'Democracy' Ballad"—KCNA headline]

[Text] Pyongyang July 20 (KCNA)—The president of the puppet National Assembly of South Korea at a "ceremony marking the Constitution Day" at the puppet parliament July 17 talked about "democratic constitutional government" and "heyday of liberal democracy" and went so far as to call for "opening" and "reform" by somebody.

NODONG SINMUN today condemns this as a ridiculous sophism of a fascist element.

The news analyst says:

The hangmen shamelessly cry about "democratic constitutional government" while brutally suppressing and punishing, torturing and murdering the patriotic students and people who fight against the colonial fascist rule and for true democratic constitutionalism. This is an intolerable mockery of and insult to the South Korean students and people who advocate independence and democracy.

As far as "opening" and "reform" are concerned, it is South Korea that really needs opening and reform. It is the South Korean fascist group that has totally closed South Korea by building a concrete wall in the area south of the Military Demarcation Line and it is also the South Korean puppets that refuse to widely open the channel of dialogue with the North but block nongovernmental dialogue at the point of the bayonet while persisting in the dialogue controlled by the authorities and arrest and imprison people who visit the North or discuss the reunification issue with us in an alien land. The puppets even blocked the southern trip of our side's delegation to participate in the Seoul preparatory meeting for the Seoul Pan-national Rally, saying that they cannot allow the rally and the Grand Reunification Festival of Students jointly promoted by the pro-reunification patriotic forces of the North, the South and overseas. South Korea is a closed fascist society and a dark choking society that must be opened to the outside world.

By slandering somebody else over the issue of "opening" the puppets revealed their sinister intention to blow the wind of "freedom" into the North and pave the way for "reunification through absorption" and "reunification by prevailing over communism."

This is a last-ditch effort of the doomed fascists.

South's 'Reactionary Social System' Discussed

SK2107103991 Pyongyang KCNA in English 0823 GMT 21 Jul 91

[Text] Pyongyang July 21 (KCNA)—NODONG SINMUN today sheds a revealing light on the miserable conditions of the moneyless, powerless people under the reactionary social system of South Korea.

Recalling that on July 16, Yi Kun-sik, an inhabitant in Changwon City, south Kyongsang Province, who had got heavy injury in the head in a traffic accident, went to four hospitals, and Sin Chol-yong, a heavily wounded urban poor in Seoul, visited three hospitals before breathing their last, denied treatment for want of money, the news analyst says:

This is not merely a matter confined to the profiteers of South Korean hospitals where an injection for a patient is stopped in its middle if he fails to pay. It is attributable to the anti-popular policy of the South Korean rulers who have brought such trend to prevail throughout the society and to the reactionary social system where the misanthropic idea holds sway.

Although the No Tae-u ruling group is loudmouthed about "human rights" and "welfare," it is a hypocritical slogan designed to conceal its anti-popular policy.

In South Korea the toiling masses are starving to death and dying of illness in front of hospital gates for want of money, while the ruling quarters and landlords and capitalists are engaged in a dissipated life, squandering a fabulous sum of money for an evening in carousing and taking their pet dogs to hospital if they get a cold.

The tragic events reported in South Korea recently are products of the anti-popular policy of the No Tae-u ruling group which does not treat the popular masses as human and exploits and suppresses them at random, not caring for their fate and an offspring of the corrupt and ailing South Korean social system in which "the rich are getting richer and the poor poorer." In other words, No Tae-u and the corrupt and ailing South Korean society drove Yi Kun-sik and Sin Chol-yong to death.

The No Tae-u ruling group have no concern for the people's living, while spending lots of money in maintaining the U.S. imperialist aggression forces in South Korea and reinforcing fascist suppressive forces.

Facts show that unless the No Tae-u ruling group is done away with and the anti-popular social system overthrown, it is impossible for the South Korean people to free themselves from their present-day misfortunes and hardships and even keep themselves alive.

U.S. Said To Seek 'Pretext' for Provoking War

SK1907113491 Pyongyang KCNA in English 1040 GMT 19 Jul 91

["U.S. Imperialists Seek Pretext for Provocation of New War on Korean Peninsula"—KCNA headline]

[Text] Pyongyang July 19 (KCNA)—The U.S. imperialists persistently make much ado about the fiction of "development of nuclear weapons" by the DPRK. This is an attempt to find a pretext for the provocation of another war of aggression on the Korean peninsula according to their nuclear war plan.

NODONG SINMUN today says this in a signed article entitled "U.S. Imperialists Seek Pretext for Provocation of New War on Korean Peninsula."

The article says:

The U.S. imperialists and their stooges are raising a hue and cry over the fiction of "development of nuclear weapons" by the North.

This is a despicable false propaganda to impair the image of the DPRK.

The U.S. imperialists are showing special interest in the Korean Peninsula after the Persian Gulf war. The U.S. Joint Chiefs of Staff announced that the Korean peninsula is a zone fraught with the greatest danger of a possible local war after the Gulf and, if a war broke out in Korea, a fierce battle of 120 days at least would be inevitable, and even published a "war scenario" on hurling reinforcements more than 200,000 strong into this battle.

It is the habitual method of the United States to try to find a pretext for aggression with false propaganda against the other side on the threshold of armed invasion.

It is with the aim to find a pretext for provoking a new war against the North that the U.S. imperialists resort to false propaganda about "development of nuclear weapons" by the DPRK.

Facts show that the U.S. imperialists swollen-headed after the Persian Gulf war following the collapse of the balance of forces in international relations are trying to stifle the DPRK by means of strength, regarding it as a thorn in their flesh as it is advancing under the banner of socialism. But it is a foolish dream.

The U.S. imperialists must know that if they unleash a nuclear war on the Korean Peninsula, they will never be safe, either.

The nuclear warmongers had better stop such a foolish act as pricking their own eyes and go home across the ocean, withdrawing their aggression troops and nuclear weapons from South Korea.

U.S. Advised on Nuclear Inspection Issue

SK1907111791 Pyongyang KCNA in English
1021 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—The United States must accept international inspection of its nuclear weapons in South Korea as it refuses to make clear the nuclear situation there, said MINJOK SIBO, newspaper of "Mindan"-living Koreans in Japan, in an editorial July 11 under the title "We Urge Simultaneous Nuclear Inspection of North and South and Denuclearisation".

It cannot be considered reasonable that the United States and the South Korean authorities at the "talks" in Washington clamoured about "measures against the nuclear possibility of the North", shunning the nuclear issue existing in South Korea, said the editorial.

It stressed that by officially manifesting its stand against the denuclearisation of the Korean peninsula, the United States openly admitted the existence of nuclear weapons in South Korea.

The editorial repeatedly demanded the simultaneous nuclear inspection of the North and the South and denuclearisation of the Korean peninsula and stressed that only when the United States withdraws all its nuclear weapons unconditionally, the significance and purpose of nuclear inspection can be implemented.

U.S. Military Activities for 18 Jul Reported

SK2007044591 Pyongyang KCNA in English
0426 GMT 20 Jul 91

[Text] Pyongyang July 20 (KCNA)—The U.S. Pacific Airforce and Navy commands on July 18 staged a large-scale aerial and ground joint strike exercise to invade the northern half of Korea, according to military sources.

The war game staged in the sky above the Wonju and Anmyondo area under the command of a Pacific-based aerial commanding plane was a play with fire aimed at surprise attacks on strategical targets on the coastal areas and in the depths of the northern half of Korea.

More than 290 fighter-bombers, assault planes, observation planes and reconnaissance planes were mobilized in it.

The South Korean authorities on July 17 and 18 mobilized ten armed helicopters and transport helicopters for such exercises as surprise strikes at targets in the North, infiltration and air-lifting operations in the sky above Chongja-ri, Paju County, and Yongha-ri, Kosong County of South Korean Kangwon Province, adjacent to the Military Demarcation Line.

On the 18th, 105 mm gun units in Kumsan-ri, Paju County, and Yulli-ri and Odok-ri, Cholwon County, South Korean Kangwon Province, fired shells at the area along the MDL and on the 17th and 18th, heavy tank groups moved to Kumpa-ri, Paju County, and fired more than 90 shells at a point near the MDL.

South's Purchase of Jet Training Planes Viewed

SK2207064891 Pyongyang KCNA in English
0558 GMT 22 Jul 91

[Text] Pyongyang July 22 (KCNA)—The South Korean authorities signed with Britain an "agreement" on the purchase of 20 "Hawk" training planes worth 230 million dollars, according to a foreign press report on July 19.

They decided to introduce such miitary equipment from Britain in the wake of their decision to buy 120 "F-16" fighter-bombers from the United States.

This shows that they are hell bent on arms buildup against the North, going against the desire of the world people for the relaxation of tension on the Korean peninsula and its peaceful reunification and the Korean people's will of reunification.

SRV Hails Application for UN Membership

SK2007043691 Pyongyang KCNA in English 0427 GMT 20 Jul 91

[Text] Pyongyang July 20 (KCNA)—Vietnam hailed the application of the Democratic People's Republic of Korea for U.N. membership, according to a report from Hanoi.

A spokesman for the Vietnamese Foreign Ministry told reporters on July 18 that Vietnam has always supported the DPRK's just struggle for national reunification and proposals to create conditions favourable to the reunification of the country by a peaceful means.

Film Show Marks Month of Solidarity With Cuba

SK1907055491 Pyongyang KCNA in English 0444 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—A photo exhibition and a film show took place at the Chollima House of Culture on July 18 on the occasion of the month of solidarity with the Cuban people.

Present there on invitation were Juan Jose Leon Vega, Cuban ambassador to Korea, and his embassy officials and Cuban guests staying here.

Chong Song-nam, minister of external economic affairs and chairman of the Korea-Cuba Solidarity Committee, officials concerned and working people in the city were on hand.

The participants first saw round pictures showing the heroic struggle of the Cuban revolutionaries and the achievements made by the Cuban people in socialist construction after the victory of the revolution.

Then they saw a Cuban feature film.

Yi Chong-ok Meets Spanish Communist Delegates

SK1907121391 Pyongyang KCNA in English 1058 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—Yi Chong-ok, member of the Political Bureau of the C.C. [Central Committee], Workers' Party of Korea [WPK] and vice-president, met and had a friendly conversation here today with the Spanish Communist Party [SCP] delegation led by Simon Sanchez Montero, Politburo member of the party Central Committee.

The head of the delegation conveyed regards of the Spanish Communists to the great leader Comrade President Kim Il-song.

Friendship between the SCP and the WPK which is guided by the chuche idea has developed in the course of their struggle to attain the common aim and ideal, he noted, declaring that the Spanish Communists will as ever stand on the side of the Korean people.

He wished the Korean people greater success in their endeavours for the building of socialism and national reunification.

Kim Il-song Hosts Lunch for Nigerian Delegates

SK1907114091 Pyongyang KCNA in English 1046 GMT 19 Jul 91

[Tex] Pyongyang July 19 (KCNA)—The great leader President Kim Il-song today received the visiting Nigerian Government information delegation led by Minister of Information Alex Opeemi Akinyele.

Present on the occasion were Vice-Premier and Foreign Minister Kim Yong-nam, chairman of the DPRK Information Committee Kim Ki-yong and Nigerian Ambassador E.P. to Korea Olugbenga Ayodeji Ashiru.

President Kim Il-song had a conversation with the guests in a cordial and friendly atmosphere.

He received a gift from the guests.

He gave a luncheon for the guests.

Nigerian Delegates Bring Gift for Kim Chong-il

SK1907120391 Pyongyang KCNA in English 1048 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the Nigerian federal government.

The gift was handed to an official concerned by Minister of Information Alex Opeemi Akinyele who is heading the Nigerian Government information delegation on a visit to Korea.

Yi Chong-ok Receives New Gabonese Envoy 19 Jul

SK1907124291 Pyongyang KCNA in English 1100 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—Vice-President Yi Chong-ok received credentials from newly-appointed Ambassador E.P. of Gabon to Korea Legnongo Ndumba Benjamin at the Mansudae Assembly Hall today.

Vice-Minister of Foreign Affairs Pak Ui-chun was present on the occasion.

Yi Chong-ok conversed with the ambassador after receiving the credentials.

Key Sectors of National Economy Emphasized

SK2107142791 Pyongyang Korean Central Broadcasting Network in Korean 0010 GMT 18 Jul 91

[NODONG SINMUN 18 July editorial: "Let Us Effect Lofty Production Upsurge in Key Sectors of the National Economy"]

[Text] Today key sectors of the national economy, including Musan and Komdok, are vigorously struggling to attain a greater victory while consolidating the proud successes won in the struggle of the first half of the year. This gives us all new confidence.

We should attain this year's plans ahead of schedule by excellently carrying out the struggle of the second half of the year and by making strenuous efforts.

To successfully implement the enormous tasks facing us, we should effect a greater production upsurge in precedent sectors of the national economy.

The great leader Comrade Kim Il-song has taught: This year, we should firmly give priority to the mining industry, the electric industry, and railway transport, and we should direct great strength to developing the metal industry. Thus, we should make these sectors effect new innovations.

The precedent sectors of the national economy are sectors that are in charge of raw material, fuel, energy and power, and transportation. Only when production upsurges are effected in these sectors and when priority is given to the production of coal, ore, and electricity and to railway transport, can various sectors of the national economy have production normalized at a high level and can the socialist construction be vigorously pushed ahead.

Proceeding from this stance, our party stated the need to give priority to precedent sectors of the national economy as an important demand for strengthening the might of the self-reliant national economy and as one of the major tasks facing us in socialist construction this year.

Functionaries and workers in precedent sectors of the national economy should more vigorously rise in the struggle to effect a lofty production upsurge in compliance with the demand of today, when the general march of the nineties is vigorously carried out.

What serves as a basis in doing this is for functionaries and workers to strenuously struggle by cherishing the lofty ideological determination to accomplish the party's demand and intention to firmly give priority to precedent sectors of the national economy.

It is our party's decision and demand to firmly give priority to precedent sectors of the national economy. Nothing is more glorious and valuable for the revolutionary fighters than to accomplish the party's demand and intention.

Functionaries and workers of these domains should resolve the problems with their own strength by displaying the revolutionary struggle for self-reliance and arduous struggle and by assuming the production goal and transportation goal given by the party as an absolute standard. Thus, they should accomplish the plans assigned their units without fail.

In particular, mines, including Musan mine complex and Komdok mine complex, and power stations and railway transport sectors should highly raise the flames of innovations by making more strenuous efforts.

The struggle to effect a new production upsurge in precedent sectors of the national economy demands that functionaries in these sectors organize and command the combat in a revolutionary way.

The units which successfully implemented the plans in the first half of the year and the plants and enterprises which are excellently carrying out their work show that the success in all works depends on the role of functionaries.

Functionaries in precedent sectors of the national economy should properly carry out supervisory work and vigorously organize and command the combat by displaying uncommon energy and organizational ability.

Functionaries of these sectors should resolve all problems before them by thoroughly relying on the masses according to the demand of the Taean work system. They should establish measures in a timely manner based on far-sightedness and judgment made in advance. Thus, they should see to it that all processes in production and transportation are closely connected with each other and pushed ahead swiftly.

The organizational ability of guiding functionaries is to be demonstrated in accomplishing the assigned economic tasks without fail.

Problems may arise in the course of the struggle to effect a production upsurge. However, one cannot register innovations if one merely puts the blame on bad conditions. The functionaries, who accomplish the combat tasks assigned by the party without fail by turning bad conditions into favorable situation with their own strength, are called functionaries who have the strong revolutionary spirit and who are loyal to the party.

Functionaries in precedent sectors of national economy, including the mining and electricity industries and the railway transport sector, should highly demonstrate the revolutionary spirit to discover more reserves and potential for production increases and conservation. They should thoroughly carry out the assigned economic tasks with existing manpower, existing fuel, and existing materials.

One should properly carry out the task of guaranteeing the precedent sectors of the national economy. Our party's policy for firmly giving priority to the mining and electricity industries and to railway transportation includes the demand for concentrating the investment in these sectors and for carrying out the task of guaranteeing these domains.

Functionaries in relevant ministries in the Administration Council should correctly establish the outlook and take active steps for effecting a production upsurge by rapidly developing the precedent sectors of the national economy.

Helping the precedent sectors of the national economy, including the mining and electricity industries and railway transportation, is the work for effecting a production upsurge in one's own unit.

With such a trait and attitude, functionaries in all domains and units should responsibly and timely produce and guarantee facilities and materials that will ensure the precedent sectors of the national economy.

Precedent sectors of the national economy are to have production carried out in close connection with each other. Only when coal is available, can electric power be produced; only when electric power is ensured, can the production of coal and ore be increased and can railway transportation be properly carried out; and only when railways properly carry out transportation work, can mines and power stations normalize production.

These sectors should direct keen attention to the work of further strengthening production ties between them and between enterprises and of creating favorable production conditions for other sectors.

The flames of innovations in precedent sectors of the national economy can be in a blaze when the masses' spirit is inspired fully. Party organizations of all levels in these sectors should actively carry out education and propaganda for party members and workers so that they keenly realize the great leader Comrade Kim Il-song's teachings and the party's demand for effecting a revolutionary upsurge in precedent sectors of the national economy, that they know that the party's expectations for them are great, and that lofty successes are won constantly in all units.

Effecting a production upsurge in precedent sectors of the national economy is a valuable struggle to create the speed of the nineties and to more rapidly push for the socialist economic construction.

All functionaries and workers in these sectors should effect a great upsurge in production and transportation by making strenuous efforts. Thus, they should accelerate economic construction and vigorously demonstrate the superiority and might of socialism in our country.

Daily Discusses Role of Chuche in Consciousness

SK2107111291 Pyongyang KCNA in English 0830 GMT 21 Jul 91

["Chuche Idea Is Ideological Basis for Bringing Consciousness of Man Into Full Play"—KCNA headline]

[Text] Pyongyang July 21 (KCNA)—Our socialism is a social system which brings man's consciousness into full play because it is guided by the great chuche idea, stresses NODONG SINMUN today in a by-lined article.

The paper quotes the dear leader Comrade Kim Chong-il as saying:

"If socialism is to bring its advantages and vitality into full play, there must be a superior ideology and a revolutionary ideological education system which will provide people with an ideological pabulum. [no end quotation mark as received]

We have the chuche idea, the most revolutionary ideology of our times, and a perfect revolutionary ideological education system."

The paper further says:

The chuche idea is an ideological and theoretical basis which makes it possible for the Korean-style socialism to give full play to the consciousness of people because, above all, it makes them deeply conscious that they are responsible for their own destinies.

The chuche idea is a revolutionary ideology which makes people realise that they are responsible for their own destinies.

By expounding that man is the only dominator of nature and has the strength and capability as such it brings people to realize that they are masters of nature.

The chuche idea also elucidates that social relations are dominated by men, the popular masses, and social development is determined by the role of the popular masses. This brings home to the people the fact that they are masters of the society.

Our people do not read others' faces or count on their help. They are firmly determined to solve their problems independently according to their own view and judgement.

As they are resolved to solve by their own efforts all the problems arising in the revolution and construction, our people are proudly bringing their consciousness into full play and the socialism of our own style is shining as a social system which gives full play to the consciousness of man.

The chuche idea is an ideological basis which makes it possible for the socialism of our own style to bring the consciousness of people into full play, nextly, because it helps them to demonstrate their strong will and fighting capacity in the revolution and construction.

By clarifying the orientation and way of the revolution and construction the chuche idea helps the people to demonstrate their strong will and fighting capacity in the revolutionary movement, in the building of socialism and communism.

It gives scientific answers to all the theoretical and practical questions arising in the revolution and construction including the orientation and way of building socialism and communism.

The chuche idea is an ideological and theoretical basis which makes it possible for the Korean-style socialism to bring the consciousness of people into full play also because it enables them to establish a revolutionary attitude toward the leader and form a socio-political organism in which the entire people are firmly united around the party and the leader.

The strong unity of the leader, the party and the masses in a socio-political organism is a true aspect proving the advantages of the Korean-style socialism in which consciousness is fully displayed.

The chuche idea expounds a unique revolutionary outlook, that is, revolutionary outlook on the leader, on the organisation, on the people and on morality.

Only when one is armed firmly with the chuche idea can one possess the revolutionary outlook on the leader, on the organisation, on the people and morality and follow the party and the leader politically and ideologically with a sense of moral obligations.

The article stresses:

In order to bring the advantages of the Korean-style socialism into fuller play by highly displaying the man's consciousness, it is importact to intensify the work of arming ourselves firmly with the chuche idea.

Status of Crop Weeding, Tending Reported

SK1907111391 Pyongyang KCNA in English 1017 GMT 19 Jul 91

[Text] Pyongyang July 19 (KCNA)—Korea is putting big efforts into manuring and tending crops, regarding it as an important requisite to higher yield.

The agricultural working people are these days hastening the last round of weeding of paddy and non-paddy fields, confidently looking ahead to a rich crop of rice and maize.

According to data available, the third weeding of paddy fields has been carried out at 84 percent and the fourth weeding of maize fields at 77 percent, taking the country as a whole.

Rural districts of South Hwanghae Province, the largest granary of the country, carried out the third weeding of paddy fields ten odd days earlier than last year and entered the last round. Last weeding is in full swing on the Yoldusamcholli Plain, South Pyongan Province, and 100-ri Unjon Plain of North Pyongan Province.

The fourth weeding of maize fields is being pressed on at the countryside of intermediary and mountainous areas including Hwangju County, North Hwanghae Province, Kaechon City, South Pyongan Province and Nyongbyon County, North Pyongan Province.

Meanwhile, measures against rainstorm damages in the rainy season are also being taken.

KCNA Review of 20 Jul Pyongyang Press

SK2007052891 Pyongyang KCNA in English 0440 GMT 20 Jul 91

[Press review]

[Text] Pyongyang July 20 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received the Nigerian Government information delegation.

The dear leader Comrade Kim Chong-il received a gift from the Nigerian federal government, according to the press.

Carried in the press is a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Cesar Gaviria Trujillo, president of the Republic of Colombia, on the occasion of the Independence Day of Colombia.

NODONG SINMUN reports that President Kim Il-song received a message from Said Mohamed Djohar, president of the Comoros, in reply to his message of greetings sent to the latter on the occasion of the 16th anniversary of the independence of the Comoros.

Given in the press is an account of a meeting of employees of the Taean heavy machine complex held to vow to carry through the teachings of president Kim Il-sung.

NODONG SINMUN tells a story about the noble efforts of Comrade Kim Chong-sok, an indomitable communist revolutionary fighter, for the Potong River improvement project after the national liberation.

Appearing in the paper are a solidarity message to the Central Committee of the Workers' Party of Korea from the Central Committee of the Communist Party of India (Marxist) on the occasion of the month of international solidarity with the Korean people who are struggling for the independent and peaceful reunification of Korea and a solidarity message from Yacob Zayadine, general secretary of the Central Committee of the Jordanian Communist Party, supporting the joint statement of the DPRK political parties and public organisations.

South Korean students and people of all walks of life are conducting brisk activities to arm themselves with the chuche idea, says the paper.

Papers inform the readers that a message of thanks of the Central Committee of the Workers' Party of Korea was conveyed to the teachers and pupils of Anju senior middle school No. 1 in South Pyongan Province who had displayed a high degree of loyalty in growing and disseminating hosta plantaginea, a flower loved by the Korean people.

The press reports about innovations being effected in coal production.

Papers introduce the newly-released "Under the Red Flag," the 5th part of the Korean feature film "The Sun of the Nation".

The film tells about the building of a party organisation in a mine area among the many facts that President Kim Il-song expanded party organisations by dispatching political workers to different places of Korea from the Mt. Paektu secret camp after founding the Association for the Restoration of the Fatherland during the anti-Japanese revolutionary struggle. Papers inform the readers that Korean girls finished the winner and runner-up in the individual all-around competitions of the rhythmical gymnastics at the 16th universiad.

NODONG SINMUN comments on the talk of the South Korean puppet president of the National Assembly about "a democratic constitutional government" at a "ceremony marking the Constitution Day".

Published in the paper is news that the Secretariat of the Committee for the Peaceful Reunification of the Fatherland issued information No. 598 denouncing the No Tae-u ruling group for intensifying fascist suppressive offensive against pro-reunification patriots.

The paper gives an account of a rally of women students held at Chang Chol-ku University in demand of the release of coed Yim Su-kyong.

The press reports that the chairman of the measure committee for the rescue of the Rev. Mun Ik-hwan and the chairman of the Korean committee of struggle for the release of Yim Su-kyong sent a telephone message to the "deputy prime minister and minister of the unification board" and the "minister of justice" of South Korea and that a contact of chief liaison officials of the North and the South for inter-Korean high-level talks was held at the Tongilgak House in the northern portion of Panmunjom.

South Korean news columns of the press include reports that students in Kwangju attacked the Kwangju branch of the puppet security planning board in protest against the arrest of the chairman of the National Council of Student Representatives, and workers of the Samyang Metal Company in Ansan, Kyonggi Province, continued their strike in demand of a wage hike.

A NODONG SINMUN article raps at the despicable criminal attempts of the South Korean authorities to obstruct the August 15 Seoul Pan-national Rally.

Printed in the paper are reports that the "international solidarity march for supporting Korea's reunification" started with due ceremony in the Congo and a "cultural evening of international solidarity for supporting Korea's reunification" was held in Romania.

Meetings for solidarity with the Korean people took place in different countries on the occasion of the month of anti-U.S. joint struggle (June 25-July 27), says the press.

The international news of the press includes reports that a working-level meeting of the Supreme National Council of Cambodia was held in Beijing, a conference of foreign ministers of the Soviet Union and union republics on the U.N. activities to remove the consequences of the Chernobyl disasters was recently held in Minsk, the capital of Belorussia, the African National Congress of South Africa demanded the authorities release political prisoners, and resolutions and recommendations were adopted at different autonomous assemblies of Japan demanding the normalization of Japan-DPRK diplomatic relations.

Papers observe the independence day of Colombia.

NODONG SINMUN comes out with an article dealing with the unprecedented crisis of finance, the economic pillar, in the United States.

South Korea

North Urged Not To Send Missions for Dissidents

SK2007080491 Seoul YONHAP in English 0719 GMT 20 Jul 91

[Text] Seoul, July 20 (YONHAP)—South Korea on Saturday called on North Korea to repeal its plan to send consolation missions to two imprisoned South Korean dissidents—the Rev. Mun Ik-hwan and student activist Yim Su-kyong.

National Unification Board Spokesman Choe Pyong-po branded the plan "an act of throwing cold water on the Korean people's aspiration for reconcilation and cooperation between South and North."

He stressed that the Rev. Mun and Yim were both convicted of violating pertinent laws of South Korea.

Choe told Pyongyang to voluntarily withdraw its plan for consolatory visits to the jailed dissidents and accept the unification march proposed by the South.

North Korea sent Friday a telephone message to South Korean Unification Minister Choe Ho-chung, informing him of its decision to dispatch two missions next week to give comfort and sympathy to the Rev. Mun and university co-ed Yim, who were put to prison for violating the National Security Law by making unauthorized visits to Pyongyang in 1989.

Delegates to Upcoming S-N Talks Discuss Agenda

SK1907124591 Seoul YONHAP in English 1237 GMT 19 Jul 91

[Text] Seoul, July 19 (YONHAP)—Members of the newly-formed South Korean delegation to the inter-Korean high-level talks on Friday discussed and reviewed agenda items they would take to the negotiation table next month.

In the meeting, which was presided over by Prime Minister Chong Won-sik at his office, the delegates examined the political implications of the scheduled simultaneous entry of South and North Korea into the United Nations.

The delegates also discussed practical ways to realize such reconciliatory measures as exchanges of senior members of the separated families and joint development of Mt. Kumgang in North Korea, according to sources close to the cabinet.

North Group Denied Permission To Plan Rally

SK2207041991 Seoul YONHAP in English 0403 GMT 22 Jul 91

[Text] Seoul, July 22 (YONHAP)—South Korea has rejected North Korea's offer to send a delegation to Seoul Wednesday for a preparatory meeting of the "pan-national" rally and inter-Korean students' festival for reunification, a senior official at the National Unification Board said Monday.

"The delegation will not be allowed to pass through Panmunjom (truce village in the Demilitarized Zone) since it is not intended to consult with the South about the joint celebration of Aug. 15 Liberation Day, but to go ahead with the pan-national rally," said the official, who declined to be identified.

Deputy Prime Minister Choe Ho-chung proposed July 15 that South and North Korea co-host "grand unification gala" to jointly celebrate the Liberation Day, which includes cross-country pilgrimage and academic symposium on reunification.

A dissident group, or the Southern-side committee of pan-national alliance for the reunification of fatherland has sought to hold "pan-national rally," which would comprise representatives of South and North Koreans and overseas Koreans, while radical group Chondaehyop, or the National Alliance of Student Representatives, planned the "South-North Korean students' festival for reunification."

The official noted that the Northern side offered on July 16 to have preparatory meeting for "grand unification gala" on July 25, but it switched the agenda of the preparatory talks to pan-national rally and grand unification gala on July 24.

Preparation Committee for Unification March Forms

SK1907124091 Seoul YONHAP in English 1215 GMT 19 Jul 91

[Text] Seoul, July 19 (YONHAP)—A preparation committee for unification march on August 15 was organized Friday.

Representatives from 82 private institutes, including the Central Council for National Unification and the Federation of Korean Trade Unions, held a meeting on Friday in Seoul and elected Kim Yong-sik, chairman of the Council, as president of the committee.

The committee plans to hold a press conference on July 20 and urge the North to accept a unification pilgrimage proposed recently as part of joint South-North Korea celebration of the National Liberation Day.

Possible Meeting for 'Pilgrimage' Discussed

SK2007040991 Seoul YONHAP in English 0354 GMT 20 Jul 91

[Text] Seoul, July 20 (YONHAP)—South Korea proposed to North Korea Saturday to hold a meeting on July 26 to discuss the cross-country "reunification" pilgrimage it had suggested on July 15.

In a telephone message to Yun Ki-pok, vice chairman of the North Korean Committee for Peaceful Reunification of Fatherland, Kim Chang-sik, chairman of the South Korean Preparatory Committee for the reunification pilgrimage, offered to hold the meeting at 10 a.m. at peace house in the southern section of the truce village of Panmunjom.

Kim said he had taken note of the fact that Yun proposed on July 16 to hold a joint festival commemorating the National Liberation Day Aug. 15 and a preparatory meeting for it.

"We think it will be desirable to form a preparatory committee with seven delegates from both sides each," Kim said and notified the list of seven selected in Seoul, including Han Yang-su, secretary-general of the Central Council for National Reunification.

Unification Minister Views Reunification Prospect

SK2007071491 Seoul YONHAP in English 0616 GMT 20 Jul 91

[Text] Cheju, South Korea, July 20 (OANA-YONHAP)—Korean reunification may be realized earlier than expected with proper combination of the international situation, changes in North Korea and development of South Korea, Unification Minister Choe Ho-chung said Saturday.

North Korea's recent decision to join the United Nations and sign the Nuclear Safeguards Accord show it is changing and beginning to accept the reality, and these changes will be the determinants to future inter-Korean relations, Choe said.

Speaking in an economic leaders' seminar here, the deputy premier-unification minister named three necessary factors to Korean unification—international background, changes in North Korea and development of South Korea.

With the right combination of these factors, national reunification may come earlier than expected, he predicted.

Choe's comments follow President No Tae-u's own projection that Korean unification is definitely possible within this decade.

The world superpowers responsible for the division of the Korean peninsula, such as the United States, the Soviet Union, Japan and China, have reached an understanding and are showing supportive attitude toward guaranteeing peace on the peninsula and progress in inter-Korean relations, Choe said.

The unification minister pinned hope on North Korea's introduction of foreign capital, predicting that it will be the catalyst in fomenting changes in North Korea.

North Korea reportedly suggested recently that it would not turn down South Korean investment or proposals for joint ventures if they are relayed through a third country.

Changes, whether self-propelled or forced, lead to unplanned changes, Choe said, implying that small changes will eventually bring about larger ones.

On the progress of inter-Korean barter deal, the unification minister pledged to conclude it soon even if North Korea cannot keep its end of the bargain.

Loading began Saturday at a South Korean port for 5,000 tons of rice that will be bartered with North Korean cement and coal.

"If conditions are not good in Pyongyang for delivery of cement and coal, we will ship the rice first and receive the North Korean goods later," he said.

Touching on inter-Korean premiers' talks scheduled to open Aug. 28, the unification minister made clear Seoul would not accept Pyongyang's demand for signing a non-aggression pact.

South and North Korea, once they join the United Nations, would in principle be concluding the non-aggression pact by accepting the U.N. Charter, he claimed.

Choe, a former foreign affairs minister, claimed that normalization of Seoul-Beijing relations is "within reach." North Korea, similarly, is getting rid of stumbling blocks in efforts to mend ties with the West, he said.

North's Inter-Korean, Foreign Diplomacy Viewed

SK2207031591 Seoul YONHAP in English 0259 GMT 22 Jul 91

[Text] Seoul, July 22 (YONHAP)—North Korea, despite its latest endeavor to come in tune with global political changes, still maintains its policy to reunify the divided Korean peninsula under communism, Deputy Prime Minister Choe Ho-chung said Monday.

Choe, who concurrently is the national unification minister, told the National Assembly's Special Committee on Reunification Policy that North Korea was showing a double-faced attitude toward crucial issues of international concern these days.

"In answer to our establishment of diplomatic relations with the Soviet Union and improvement of ties with China, North Korea hosted an Interparliamentary Union meeting in late April and has made positive diplomatic efforts to improve relations with the United States and Japan.

"North Korea has promoted 'southern policy' aimed at improving ties with Southeast Asian countries and solving its rice shortage and other economic difficulties, while avoiding diplomatic rivaly with South Korea. It has closed down seven embassies including those in Norway, Central Africa, Gabon, Niger and Malta, has agreed to exchange embassies with Thailand and has reached an agreement in principle to normalize ties with the Philippines."

North Korea has also filed a membership application with the United Nations and has expressed the will to sign the International Atomic Energy Agency's [IAEA's] nuclear safeguards accord, Choe pointed out.

"In spite of all these changes, however, North Korea is calling for the withdrawal of nuclear arms it claims the U.S. Forces in (South) Korea possesses and for simultaneous nuclear inspection of both South and North Korea. In other words, it is trying to link its signing of the IAEA accord with inter-Korean arms reduction and its negotiations with the United States.

"This shows that North Korea is still maintaining its policy to communize South Korea, despite the rapid external and internal changes, the inter-Korean exchange, its application for U.N. membership and positive approaches toward the United States and Japan," Choe said.

Yon Hyong-muk Likely To Make Speech at UNGA

SK2207023091 Seoul KBS-1 Television Network in Korean 1200 GMT 21 Jul 91

[Text] A high-ranking government official today said that the North Korean side, which submitted an application for UN entry early this month, is planning to have Yon Hyong-muk, premier of the State Administration Council, make a keynote speech at the UNGA [United Nations General Assembly] on 2 October if the UNGA approves North Korea's bid for UN entry. He also said that North Korea is conducting specific working negotiations with the UN Secretariat through its UN mission, according to the information that reached him.

The said government official theorized that because President Kim Il-song's health has deteriorated, not to mention his acrophobia, the North Korean side precluded the possibility of his going to the United Nations for a keynote speech. The North Korean side, therefore, reviewed the possibility of having Kim Chong-il make the keynote speech, but decided to send Premier Yon Hyong-muk for the keynote speech instead of Kim Chong-il, who is not favorably accepted by the international community in because of his succession to power and his lack of proper international experience.

The ROK Government, therefore, is considering dispatching our delegation to the United Nations, timing it with the North Korean schedule for a UN keynote speech, to discuss inter-Korean cooperation at the United Nations with Premier Yon Hyong-muk.

The first UNGA keynote speech will be made by U.S. President Bush on 23 September. President No Tae-u is expected to deliver a keynote speech on 24 September, stressing prosperity and increased cooperation in the Asia-Pacific region through peace and stability on the Korean peninsula.

Chairman Says North Accepts 5,000 Tons of Rice

SK2207082391 Seoul YONHAP in English 0724 GMT 22 Jul 91

[Text] Seoul, July 22 (YONHAP)—North Korea has finally decided to receive 5,000 tons of South Korean rice in swap for its anthracite and cement, Yu Sang-yol, chairman of Cheonji Trading Co., said Monday.

"North Korea has assured it would first receive 5,000 tons of South Korean rice first, and then offer detailed timetables for the return delivery of anthracite and cement," Yu said.

He returned Sunday from Beijing after meeting with Pak Kyong-yon, president of North Korea's Kumgangsan International Trade and Development Corp. his firm concluded the direct barter deal with Kumgangsan on March 20 in Tokyo.

The government approved the barter deal in April. The deal was the first direct inter-Korean material exchange ever agreed upon since 1945 when the Korean peninsula was divided into the capitalist South and communist North.

Cheonji officials said the 6,500-ton freighter condor, which is being loaded with the rice at Mokpo, a southeastern port, will leave for the North Korean port of Najin around July 28.

5,000 Tons Rice Loaded on Boat

SK2007033691 Seoul YONHAP in English 0253 GMT 20 Jul 91

[Text] Mokpo, July 20 (YONHAP)—The first batch of 5,000 tons of South Korean rice bound for North Korea in a direct inter-Korean barter trade started to be loaded aboard a Grenada-registered freighter Saturday morning.

Six hundred tons of rice will be loaded aboard the 3,800-ton condor moored here earlier Saturday.

Loading for the 5,000 tons will be completed by July 28, a port official said.

Architects Petition To Meet North Architects

SK2007025191 Seoul YONHAP in English 0236 GMT 20 Jul 91

[Text] Seoul, July 20 (YONHAP)—A South Korean architect group said Saturday it has applied for government permission to contact North Korean architects in China in September.

The Korea Institute of Registered Architects (KIRA) said it would take part in an annual meeting of the Architect Regional Council Asia in Beijing Sept. 24-28 and submitted an application to the National Unification Board on July 15 for permission to contact the North Korean Architect Union.

"The National Unification Board said it would help us meet with North Korean architects. We will ask for Chinese cooperation in inviting North Korean architects to a forum as an observer," KIRA president O Un-tong said.

He said his institute prepared a package of proposals that architects of both Koreas jointly project a development plan for Mt. Kumgang in the North, design various facilities to be installed in the demilitarized zone and build a tower, hall and parks in the truce village of Panmunjom.

Reaction to 'Change in Japan's Position' on North

SK2007123891 Seoul YONHAP in English 1130 GMT 20 Jul 91

[Text] Seoul, July 20 (YONHAP)—The Japanese Government has decided to seek an early conclusion to its talks with North Korea on normalizing bilateral relations even before Pyongyang accepts international inspection of its nuclear fuel reprocessing facilities, official sources here said Saturday.

The sources said that Tokyo has decided not to link to its official talks with Pyongyang the problem of Pyongyang's opening of its nuclear reprocessing facilities to international inspection.

The Japanese Government seems to have come to that decision in view of the scant possibility of North Korea opening its nuclear facilities immediately even after the draft wordings of a nuclear safeguards agreement worked out recently between negotiators of North Korea and the International Atomic Energy Agency (IAEA) are approved by the IAEA board of governors' meeting in September, it was said.

The sources said the decision seems to have been prompted also by the perception that linking of the nuclear issue, especially the problem of nuclear reprocessing facilities, to the talks would virtually dissipate chances of realizing diplomatic ties with North Korea in the near future.

They warned that the change in Japan's position might trigger a diplomatic clash between Japan and South Korea in that it contradicts the prerequisite conditions set by Seoul for Tokyo's diplomatic ties with Pyongyang.

The South Korean Government has held the position that North Korea should not only perform its duty manifested in the nuclear safeguards agreement faithfully but also open its nuclear fuel reprocessing facilities to outside inspection.

A responsible government official, meanwhile, said, "it is true that the Japanese Government has shown lukewarm attitudes toward putting forward North Korea's renunciation of nuclear reprocessing facilities as a prerequisite condition for the diplomatic ties.

"The Japanese side seems to be thinking that obstacles to diplomatic ties with North Korea would naturally be removed along with such new major developments as the two Koreas' simultaneous entry into the United Nations, Pyongyang's signing of the nuclear safeguards accord and resumption of the inter-Korean prime ministers talks."

He also said that he believed the summit leaders of Japan and China would have an intensive discussion on matters concerning the normalization of relations between Japan and North Korea in their talks slated to be held in Beijing Aug. 10-13.

He did not deny the possibility of Japan and North Korea achieving a meaningful progress in their fourth-round official talks to be held at the end of next month.

Planned Move of U.S. Bases From Seoul Viewed

SK2107140291 Seoul CHUNGANG ILBO in Korean 20 Jul 91 p 3

[Editorial: "The First Priority Should Be To Protect the Base Site at Yongsan"]

[Text] The Ministry of National Defense and the U.S. Forces Korea Headquarters have decided to move the U.S. 8th Army Base in Yongsan to the areas in the cities of Osan and Pyongtaek. This is very good step that we can welcome. Because of the location of the U.S. 8th Army in the center of the capital, the traffic problems in Seoul have been further increased. Because of this location, we could not pay attention to the city's development. We think that this is true.

Although the location of the U.S. Army base in Seoul was chosen because of the ROK's and United States' mutual necessity, it is unreasonable for us to see this huge base for foreign troops in the center of the country's capital. This has caused a political and social problem, including anti-U.S. sentiment. In addition, this runs counter to the international trend of the current times.

From this point of view, we, in general, welcome the relocation of the Yongsan U.S. Army Base to Osan and Pyongtaek. At the same time, we think that, through open discussion if possible, the government should make efforts to carefully seek effective ways to solve the problems that will occur in relocating the U.S. Army base. These problems will include raising money for relocation costs, a timetable for the relocation, the scale of the new base, and development plans for the site of the Yongsan U.S. Army Base.

Although the ROK and the United States have already agreed on the relocation costs, we are uneasy, first of all, because the ROK will totally assume the burden of relocation costs.

It is true that the presence of the U.S. troops in Korea is basically because of the ROK's and United States' mutual necessity. Therefore, it may be reasonable that the relocation costs of the base should be appropriately shared by both countries. In this respect, we think that the United States, as promised, should make sincere efforts to reduce the costs by minimizing its land requirements for the relocation and by consolidating facilities requirements.

Anyway, the ROK should share the burden of its relocation costs, which are expected to amount to about 1.8 or 2 billion dollar. It is unreasonable, we think, for the Seoul City Administration to totally assume the relocation costs.

The relocation of the U.S. Army Base is not work that should be carried out by the Seoul City Administration alone. However, it is state-oriented work that should be carried out by the government. The relocation costs of the base include the removal of facilities in Seoul and city planning in Osan and Pyongtaek. Therefore, the relocation costs should be paid from the National Treasury. We think that this is very reasonable.

We cannot but regret to hear that the government has planned to sell some areas of the Yongsan U.S. Army Base to civilians in order to raise money necessary for the relocation. This may be the best way of raising money to pay for relocation costs, but the significance of the relocation of the 8th U.S. Army Base will be narrowed.

At present, Seoul has become a bleak city which absolutely needs a green area. This shows that the government should be responsible for its city planning policy because it has destroyed the green areas under the name of "developing the city." However, the government, this time, should not fall into the temptation of making a profit from the development of the city in a short period.

According to the basic plan, all the areas of the Yongsan U.S. Army Base should be contributed to developing a green area, such as park; thus Seoul citizens would be able to take a break in the green area, making themselves at home. We should remember that the basic issue is how to preserve the green area, not how to develop it.

It is important how we develop the site of the U.S. 8th Army Base in Seoul. With the development of the site of the Yongsan base, it also will be important how we develop the areas in Osan and Pyongtaek. The Osan and Pyongtaek City Administrations, availing themselves of this opportunity, should make efforts to develop their long-term development plan, because they should consider the fact that, someday in the future, the new U.S. base might be removed to other sites from the areas.

More on U.S. Bases Moving

SK2007060191 Seoul YONHAP in English 0413 GMT 20 Jul 91

[Text] Pyongtaek, July 20 (YONHAP)—Some 270,000 residents in and around this city are not sure whether they want to welcome or repel U.S. troops moving into their home turf.

Some say the Americans will bring economic prosperity to their neighborhoods, others say they will bring unwanted foreign cultural influence to this agrarian city.

The Defense Ministry announced Friday that the U.S. military installations in Yongsan, central Seoul, will be relocated some 40 kilometers South to Osan and Pyongtaek.

New facilities, paid for by the South Korean Government, will be built within the 1.7 million pyong (5.61 million sq. meters) already occupied by U.S. Air force base Camp Humphrey to accommodate the incoming troops, according to the ministry plan.

The relocation project was a spin-off from the Seoul city plan that called for moving the U.S. Military facilities from busy, central section of the capital to less populated areas by 1996.

Presence of American troops in the heart of the capital has long been criticized, some claiming it is a symbol of U.S. domination of South Korea.

Real estate brokers say that ever since a memorandum was signed in June last year on the removal plan, land prices here have jumped two-, even three-fold. Calls have been flooding in from city people on the prices, available land and shop sites, brokers say.

People have been split for nearly a year on whether they should welcome or repel the new foreign neighbors.

Some 200 residents formed a loose-knit protest group in July last year opposing the U.S. military move to Pyongtaek. They held five protest rallies since then, insisting that the neighborhood atmosphere will be "clouded" when American culture sets in, negatively influencing young children.

Chae Han-sok, the 36-year-old leader of the protest group, said the residents have made clear through their petitions to the defense ministry and the U.S. military authorities that they oppose the move.

"The government decision is wrong. It was decided without prior consultation with the people," he said, "we will now fight for complete pullout of American troops as well as fighting against relocation."

Kim Chong-hwa, representative of a coalition of 12 local resident and farmers organizations opposing the relocation, have come out demanding public hearings and overall review of the government decision.

He basically questions whether the incoming troops can actually be accommodated within the existing grounds at Camp Humphrey.

"When the army units start coming in from Seoul, camp expansion will be inevitable. The 400,000 pyong of farmland will be used for camp expansion, and more than 3,000 farmers and their families will lose their home and way of life," Kim said.

Kim voiced fears about the changes the foreigners will bring to the neighborhood. "Pyongtaek streets will be lit up by bars and discoteques, and the city may well face great degeneration," he said.

The welcoming crowd belittles these fears, emphasizing economic benefits. Kim Chong-sik, chief of a local neighborhood promotion group, organized a celebration with some 500 residents last November welcoming the new military base.

He gives full credence to government promise that the camp grounds will not be enlarged and that farmers will not be forced to leave.

"There were people alarmed at the possibility of being evicted from their homes when the American base sets foot in Pyongtaek, but they are sure to approve the relocation once they are assured that they will not be forced out," Kim said.

Chong Se-yong, a 56-year-old Pyongtaek County leader, eagerly predicts that the entire city will improve in road, water supply and other public utility conditions.

"Large number of people are expressing favorable views with expectations of great economic possibilities," he said.

USSR Agreement Reached on Goods Production

SK2207020091 Seoul YONHAP in English 0116 GMT 22 Jul 91

[Text] Moscow, July 21 (YONHAP) - An agreement has been reached in principle between South Korean and Soviet electrical industries on complementary specialization and technological tie-ups, Yim To-su, chairman of the Korea Electrical Manufacturers Cooperation (KEMC), said Sunday.

Visiting here at the invitation of the Informelectro, a Soviet electric research institute, Yim said the Soviets agreed in principle to supply electrical materials to Korea, which will assemble them as finished products and export them back to the Soviet Union.

KEMC and Informelectro also agreed on a joint development of technologies involving waste water treatment and machine tool control system while the Soviets wanted to introduce Korean-made small generators and electromotors, Yim said.

Elpkimex, a major Soviet defense enterprise and a major maker of heavy electric equipment, suggested transfer of manufacturing technologies for electrical semiconductors and chips, he said.

Customs Agreement Reached With Soviet Union

SK2107013191 Seoul THE KOREA HERALD in English 21 Jul 91 p 6

[Text] Korea and the Soviet Union have in principle agreed to promote customs cooperation between the two countries, the Korea Customs Administration (KCA) said yesterday.

"To help facilitate bilateral economic exchanges, customs cooperation with the Soviet Union is imperative. Some tangible results would soon appear, including the visit of the Soviet customs administration head to Korea," a KCA spokesman said.

He said the two sides exchanged views on the importance of customs cooperation when Kim Ki-in, KCA commissioner, met with Valeriy V. Vorotynzev, head of the International Relations Division of the State Customs Administration under the USSR Council of Ministers, during the general assembly meeting of the Customs Cooperation Council [CCC] in Brussels late June.

The world customs organization, CCC, was set up in 1952 with 109 member countries and Korea has been a member since 1968.

The Soviet Union applied for the entry of the CCC during the meeting.

In early June, Yi Kang-yon, director general of the Valuation and International Affairs Bureau of the KCA, sent a letter to Vorotynzev calling for the holding of a meeting to work out ways of promoting customs cooperation between the two countries.

"The KCA was in complete agreement with this suggestion (exchange of visits between the heads of two customs administrations) and we will be happy to welcome the head of the Soviet Customs Administration's visit to Korea," the letter reads.

DLP Secretary-General Leaves for Soviet Union

SK2007040391 Seoul YONHAP in English 0348 GMT 20 Jul 91

[Text] Seoul, July 20 (YONHAP)—Rep. Kim Yunhwan, secretary-general of the ruling Democratic Liberal Party (DLP), left for the Soviet Union Saturday on a 10-day visit at the invitation of the Kazakhstan Republic's Parliament.

Visiting the Soviet Union in his capacity as the Seoul-side chairman of the South Korea-Soviet Parliamentary Association, Kim is to meet with Soviet Vice President Gennadiy Yanayev, Kazakhstan Republic's President Nursultan Nazarbayev, and Mayor of Leningrad Anatoliy Sobchak and other government officials and leaders.

Negotiations are also scheduled with leaders of the Soviet Supreme Soviet over the inauguration of Korea-Soviet Parliamentarian Friendship Association.

Kim was accompanied by DLP lawmakers Cho Kyongmok, Kim Ki-pae, Ham Chong-han and Kim Han-kyu.

Government To Promote Industrial Park in Mexico

SK2007012191 Seoul THE KOREA HERALD in English 20 Jul 91 p 6

[Text] The Korea Government will promote to establish an industrial park exclusively for Korean manufacturers operating in Mexico to help more firms advance into the North American country.

It is also considering holding regular trade ministers' talks between the two countries and dispatching a large-scale trade mission to Mexico, said Yu Tuk-hwan, first assistant minister of the Ministry of the Trade and Industry [MTI], yesterday.

While presiding over the founding meeting of the government-business committee to cope with the formation of the North America Free Trade Association, Yu aid NAFTA, which includes Mexico, a newly industrializing country like Korea, will affect Korea more seriously than the similar agreements between the United States and Canada only.

"The government will spare no trade diplomacy efforts to minimize the possible adverse effects the regional trade bloc will have on the Korean businesses at such multilateral forums as UR (Uruguay Round global trade talks) and, needless to say, on various bilateral occasions," Yu said.

One such preparatory step will be the scheduled establishment of the NAFTA Information Center within Korea Trade Promotion Corp. and holding various explanation sessions, seminars and workships for firms.

Each industry, including automobile, electronic, machinery and textiles, should try to analyze the effects and work out its own measures for the latest development in North America, he said.

The committee consists of about 30 members representing the MTI, four major business associations, executives of various industrial associations and cooperatives, officials of companies already operating or planning to do business in Mexico, and economic researchers. It will hold a regular meeting every quarter of the year for shaping joint measures and exchanging information.

The inauguration meeting also decided to set up a NAFTA Study and Research Corp. responsible for working-level analysis and preparations, led by Choe Hong-kon, MTI's director general for U.S. trade.

Ministry To Expand Economic Relations With Iran

SK2207100991 Seoul YONHAP in English 0945 GMT 22 Jul 91

[Text] Seoul, July 22 (YONHAP)—South Korea is planning to expand economic cooperation with Iran, an official of the Trade and Industry Ministry said Monday.

The South Korean Government decided to set up plans for sectoral cooperations with Iran as the Mideast country has come to regard South Korea as one of its major cooperation partners during its first economic development plan period that ends in 1995.

The fourth meeting of the South Korea-Iran Joint Commission is to be held from Wednesday through Friday here.

In the meeting, negotiators of the two countries will discuss cooperations in trade, post-war reconstruction, natural resources development, joint ventures in light and heavy industries, and the signing of bilateral agreements on investment protection, double income-tax relief, no-visa and aviation, he said.

South Korea's exports to Iran, which grew 142.2 percent last year alone from the previous year, posted a similarly high growth rate of 167.9 percent during the first four months this year by totaling 270 million U.S. dollars.

Foreign Minister Leaves for ASEAN Conference

SK2007013291 Seoul YONHAP in English 0057 GMT 20 Jul 91

[Text] Seoul, July 20 (OANA-YONHAP)—South Korean Foreign Minister Yi Sang-ok left for Malaysia Saturday to attend the Association of Southeast Asian Nations (ASEAN) Ministerial Conference for the first time as a full-dialogue partner.

Yi, leading an 11-member delegation of diplomatic and economic officials, will attend ASEAN post-ministerial conference July 21-24 in Kuala Lumpur for political, economic and regional cooperation talks.

The foreign minister is scheduled for separate meetings with his U.S. and Japanese counterparts James Baker and Taro Nakayama during the four-day stay on bilateral issues.

Yi is also to meet with foreign ministers from Canada, Australia, EC and ASEAN member nations for a follow-up on establishing an official instrument for Asia-Pacific cooperation proposed by President No Tae-u.

No, at a speech at Stanford University in California June 30, proposed that Asia-Pacific nations form an instrument embracing all regional countries for strengthening cooperation and pursuing common goals.

Yi Si-yong, assistant foreign minister for policy planning, will be meeting with leaders at the conference to explain No's proposal and muster support, ministry officials said.

South Korea was officially named full-dialogue partner during the ASEAN ministerial meeting July 19-20, the seventh after Japan, the United States, Canada, Australia, New Zealand and the European Community.

Seoul has been a sectoral dialogue partner since 1989.

The foreign minister will tour Singapore, Indonesia and Thailand after ASEAN conference for meetings with government leaders there. He will return Aug. 2.

Companies Incur Losses With BCCI Collapse

SK2107023791 Seoul THE KOREA TIMES in English 21 Jul 91 p 8

[Text] The asset freeze of Seoul branch of the controversy-ridden Bank of Credit and Commerce International [BCCI] cost the Lucky Goldstar and other Korean corporations about 22.7 million dollars, the Trade and Industry Ministry said yesterday.

The Korean companies, mostly government-designated general traders, incurred the loss as their export proceeds paid by their foreign buyers through the BCCI have not reached the Seoul branch of the Abu Dhabi-controlled bank.

South Korean banking regulating agency has frozen assets of the BCCI branch on July 8, two days after the Bank of England shut down the bank, citing worldwide fraud including money laundering.

With the asset freeze, the Office of Bank Supervision and Examination also banned foreign currency transactions with the head office, and imposed exit ban against seven key staffers of the branch.

The ministry's interim tally on the losses include 8.242 million dollars for Lucky Goldstar, 6.73 million dollars for Daewoo, 3.4 million dollars for Samsung Co., 1.2 million dollars for Sunkyong, 1.1 million dollars for Ssangyong Corp., 740,000 dollars for Hyosung Corp., and 131,000 dollars for Korea Trading International Inc. Also included is 1.25 million dollars involving small trading companies.

The losses are likely to increase, so is the number of the Korean companies involved as the ministry continues to investigate the extent of the damage, a source said.

The ministry has initiated an interministry consultation to bail out the companies by providing moratorium on loan repayment and granting corporate tax holidays.

2

Burma

Border Demarcation Continues With Neighbors

BK1907110591 Rangoon Radio Burma in Burmese 1330 GMT 18 Jul 91

[Text] Demarcation work on Myanmar [Burma]-Thai-Lao border is being carried out currently. Under the first phase, joint demarcation work was carried out from the end of January to mid May 1991 from the Myanmar-Thai-Lao border up to 60 miles north. The remaining demarcation work will be carried our in the open season of 1991-92.

As independent and sovereign states, the two governments of Myanmar and Laos started the demarcation work on the borders inherited from the colonial rule.

A Lao delegation led by Mr. Souban Salitthilat, deputy foreign minister of Laos, visited Myanmar from 5-9 August 1990 and held talks with his Myanmar counterpart, U Ohn Gyaw, on matters related to the border. The meeting laid down the basic principles for demarcation of the border between the two countries. Following the meeting, the Myanmar-Lao Joint Border Committee was formed with deputy foreign ministers of the two countries as respective heads of the committee.

The first meeting of the joint border committee was held in Vientiane, Laos, from 4-8 1990 and it was agreed at the meeting to commence field demarcation work by the end of January 1991. It was also agreed at the meeting to form a subsidiary body under the joint border committee, the Joint Experts Committee led by directors of the Foreign Ministries of the two countries.

The Experts Committee held its first meeting in Vientiane in Laos from 5-6 December 1990 and in Tachilek in Myanmar from 24-26 January 1991. In accordance with the coordination arranged out at the meetings of the Joint Experts Committeee, the land and water survey teams of the two countries carried out surveys and demarcation work from the Myanmar-Thai-Lao border up to 60 Miles north from the end of January to mid May 1991. The experts from the two countries closely cooperated in mapping and carrying out hydrographic and land survey work.

The third meeting of the Joint Experts Committee was held in Vientiane, Laos, from 18-27 June 1991 and it coordinated the work to be carried out during the monsoon season.

In addition to demarcation work carried out on the Myanmar-Lao border, similar demarcation work was carried out along the Myanmar-Bangladesh border at two sections—the Naf River and an inland area. The Naf River section was demarcated according to the Naf River Demarcation Agreement signed in 1966 and the inland area was demarcated according to the Inland Area Demarcation Agreement signed in 1979.

An agreement was signed in 1967 in order to systematically demarcate the Myanmar-India border under an internationally binding treaty. Land survey works were carried out following the signing of the agreement. At present 832 miles of the border with India have been demarcated and 186 border posts have been erected.

The Chinese-Myanmar border had been demarcated systematically under an international treaty. The initial inspection for demarcation work was carried out between 1984-1986 and a treaty on joint inspection of border was later signed.

The Myanmar-Thai border line along the Mae Sai and Mae Hok Rivers, which run through Tachilek, was delineated in 1987-88 following joint survey work carried out by the two countries, and a memorandum of understanding relating to the fixed boundary on the Mae-Sai-Nam Ruak Rivers was signed in Yangon [Rangoon] 18 June 1991.

Martyr's Day Observance Ceremony Held in Rangoon

BK1907174591 Rangoon Radio Burma in Burmese 0630 GMT 19 Jul 91

[Excerpts] The 44th anniversary of the Martyr's day was observed at the Martyr's Mausoleum at 0800 today. On behalf of the chairman of the State Law and Order Restoration Council [SLORC], Lieutenant General Phone Myint, member of the SLORC, chairman of the 44th anniversary martyr's day observance committee, minister for home and religious affairs, and minister for information and culture, laid wreaths at the mausoleum in tribute to the memory of national leader General Aung San and other fallen leaders.

Present on the occasion were Major General Myo Nyunt, member of the SLORC, vice-chairman of the observance committee, chairman of the Yangon [Rangoon] division law and order restoration council, and commander of Yangon military command; U Aung Toe, chief justice; U Tha Tun, attorney general; U Khin Zaw, auditor general; U Soe Nyunt, secretary of the observance committee and managing director of news and periodicals; committee members; work committee secretaries; and senior officers from the Army, Navy, and Air Force and the peoples police force. [passage omitted]

Others that laid wreaths at the martyr's mausoleum were representatives of the war veterans organization, the Myanmar [Burma] Red Cross society, the literary workers organization, the Myanmar motion picture organization, the Myanmar music artists organization, the Myanmar theatrical organization, and the Myanmar traditional arts organization. Next, diplomats of the various embassies and representatives of the United Nations' agencies in Yangon laid wreaths and paid respects to the fallen martyrs. Then people from all strata of life laid wreaths and paid respects. [passage omitted]

'Insurgents' Surrender at Army Camps 1-7 Jun

BK2107095191 Rangoon Radio Burma in Burmese 1330 GMT 20 Jul 91

[Text] People belonging to various insurgent organizations who have come to realize their wrongdoing have been giving up their armed struggle and surrendering at different Army camps with arms and ammunition. Accordingly, the following surrenders took place between 1-7 June 1991:

Southeast Military Command: Privates Maw Lwin alias Maw Naing and Myint Ko of the ABSDF's [All Burma Students' Democratic Front] 203d Battalion surrendered at Tabu camp. Pvt. Ma Kyu Kyu Swe of the 207th Battalion surrendered at Myawadi camp. Pvt. Maung Gyi of the 201st Battalion surrendered together with three AK-47 automatic rifles and one rifle at Bilin camp. Pvt. Myo Zaw of the 201st Battlion surrendered at Moulmein camp. Pvts. Soe Lwin and Thet Win gave themselves up at Palaw camp. Pvts. Ke Shi and Po Toke of the KNU's [Karen National Union] 10th Battalion 4th Company surrendered together with one AK-47 automatic rifle and one M-16 automatic rifle at Palaw camp.

Eastern Military Command: Lance Corporal Aik Yone of the insurgent SUA's [Shan United Army] 51st Battalion surrendered with one M-22 automatic rifle at Mepyin outpost. Pvts. Sai Nyunt and Aik Maung of the SURA [Shan United Revolutionary Army] surrendered with two M-16 automatic rifles at Mong Sang camp.

Northern Military Command: Pvts. Phawla Tuaung of the KIA's [Kachin Independence Army] 12th Battalion surrendered at Bhamo peoples police station. Sergeant Khun Sang and Pvt. Wawsi of the 253d Brigade surrendered at Bhamo camp through the Madein Ward Law and Order Restoration Council [LORC]. Pvt. Mar Tu of the 1st Battalion surrendered at Myitkyina camp through the Yilun Ward LORC. Lance Corporal Myit Kyaw of the 5th Brigade Taungni camp also surrendered.

Northeast Military Command: Pvt. Hpyo Aung of the KIA surrendered at Namtu camp.

Northwestern Military Command: Lance Corporal Mung Kyone of the CNF's [expansion unknown] 3d Battalion surrendered at Tlangtlang township LORC.

Southern Military Command: Pvt. Mya Maung of the KNU's 7th Battalion surrendered at Megyaung camp.

Western Military Command: Pvts. Mawlabi Ulargya and Abdul Elam of the RSO [Rohingya Solidarity Organization] surrendered with one locally made gun at Maungdaw camp.

A total of 22 insurgents surrendered between 1 and 7 June and these people who have come back to the legal fold after realizing the truth and giving up the armed struggle were warmly received by the responsible officials of the camps concerned.

Brunei, Malaysia & Singapore

Malaysia

Abdullah, Evans Hold 'Frank' Talks on Ties

BK2107081291 Kuala Lumpur BERNAMA in English 0712 GMT 21 Jul 91

[Text] Kuala Lumpur, July 21 (OANA-BERNAMA)—Malaysia and Australia Sunday took the first step towards easing strained relations with a meeting between their foreign ministers here.

Both leaders described as "very open and frank" the high-level talks between the two nations since relations became strained late last year.

"The meeting is a very good first step down the path of (resolving) ... what is a rather difficult problem for both of us," Australian Foreign Minister Gareth Evans told reporters after the hour-long meeting with Abdullah Ahmad Badawi here.

Echoing this, Abdullah said a commitment was reached between the two to improve relations and he was pleased with the outcome of the meeting.

"It was a very frank and constructive meeting," he said. "There was no thumping of tables or shaking of fists."

Both ministers declined to say much about their meeting until Evans meets Prime Minister Dr. Mahathir Mohamed on Tuesday bearing a message from Australian Prime Minister Bob Hawke on how to settle the rift.

Evans admitted that some blame for the strained ties lay with Australia, saying "we in Australia are conscious that the Australian end has contributed to this problem and we'll do what is possible to resolve this."

Relations between Malaysia and Australia have been strained since last year over adverse Australian media reports and an Australian television serial "Embassy" which Malaysia perceived as a negative portrayal of the country.

Malaysia subsequently downgraded official links with Australia late last year.

This is not the first time bilateral relations have been strained. In 1980, Malaysia declared a trade war with Australia over claims of discriminatory trade practices. Dr. Mahathir was then trade and industry minister.

Abdullah told a news conference that the meeting was "a beginning of the loosening of tensions" and that he was happy that there was now a greater understanding between both countries.

Evans, who is here to attend the post-ministerial talks between the Association of Southeast Asian Nations (ASEAN) and its seven dialogue partners, would also speak on bilateral relations at a Malaysian-Australian Business Council dinner Monday.

The ministers also discussed the question of lifting economic sanctions on South Africa. Both ministers would have a separate meeting with the Canadian foreign minister, Barbara McDougall, on the issue later.

The three countries are members of the Commonwealth Committee on South Africa.

USSR Requests Credit for Purchasing Palm Oil

BK2007103191 Kuala Lumpur BERNAMA in English 0723 GMT 20 Jul 91

[Text] Kuala Lumpur, July 20 (OANA-BERNAMA)—The Soviet Union has requested for a U.S. $200 million credit facility from Malaysia for purchasing Malaysian palm oil, Primary Industries Minister Dr. Lim Keng Yaik said Saturday.

Speaking to newsmen after meeting Soviet Deputy Minister of Foreign Economic Relations V.S. Mordinov here, Dr. Lim said he would make a recommendation to the government on the request considering the volume that the Soviet Union would be importing from Malaysia.

He said the volume indicated good marketing strategy on the part of Malaysia and would boost trade and foreign relations with the Soviet Union.

The Soviets indicated that they would require about 350,000 tonnes of palm oil annually, he said. For the first six months of this year, the Soviet Union imported about 20,000 tonnes of Malaysian palm oil and palm oil products.

He also said that the export of Malaysian goods to the Soviet Union, comprising mainly palm oil products, rubber, and tin, had been declining the last few years.

The drop in export was due to "serious foreign exchange problems" faced by the Soviet Union, he added.

According to figures available, total trade between Malaysia and the Soviet Union in 1989 amounted to U.S. $322.2 million and in 1990 the figure was U.S. $213 million.

During the first two months of this year, total trade amounted to only U.S. $15.2 million.

Export of Malaysian goods to the Soviet Union declined from U.S. $242.6 million in 1989 to U.S. $134.4 million in 1990.

Thai Border Disputes To Be Settled 'Speedily'

BK2107085091 Kuala Lumpur Voice of Malaysia in English 0800 GMT 21 Jul 91

[Text] Malaysia and Thailand have agreed to establish a more effective mechanism to resolve border disputes speedily. BERNAMA News Agency reports that channels for discussions such as the General Border Committee and the Malaysian-Thai Joint Commission will be improved.

This was agreed when Foreign Minister Datuk Abdullah Ahmad Badawi met with his Thai counterpart, Asa Sarasin, in Kuala Lumpur. Foreign Ministry officials from the two countries will meet and submit recommendations for consideration at the next joint commission meeting in October. Datuk Abdullah reaffirmed that ties between the two countries remained good.

Indonesia Signs Joint Commission Memorandum

BK2007150191 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 20 Jul 91

[Text] Malaysia and Indonesia have signed a memorandum of understanding on the establishment of a joint commission to further upgrade mutual cooperation and nurture existing bilateral relations. Foreign Minister Datuk Abdullah Ahmad Badawi said the joint commission would cover all aspects of Malaysia-Indonesia bilateral relations—particularly in the fields of economy, trade, and culture.

However, the joint commission will not concern matters related to common border security as such matters will be the continued responsibility of the general border committee.

Datuk Abdullah said Malaysia is willing to attend the joint commission's first meeting at any time proposed by Indonesia.

New Zealand Remarks on EAEG Stance

BK2207045891 Kuala Lumpur BERNAMA in English 0353 GMT 22 Jul 91

[Text] Kuching (East Malaysia), July 22 (OANA-BERNAMA)—New Zealand has yet to take a stand on the East Asia Economic Grouping (EAEG) because it will be premature to do so at present, its Deputy Prime Minister Don McKinnon has said here.

He said his country was interested first in working towards the successful conclusion of the Uruguay Round of trade negotiations.

"What really matters to us is that we wish to see trade barriers dropping around the world," he told newsmen Sunday before leaving for Kuala Lumpur after a four-day visit to Sarawak.

He said when the EAEG idea was first mooted sometime back, it was seen by certain sectors as a plain institution that was not outward looking.

But now his country had read that the EAEG was "GATT-compatible," but New Zealand would nevertheless first prefer to see the GATT rounds "get to the end."

McKinnon, who is also the minister of external relations and trade, said there was a real determination to see that the GATT rounds would be concluded.

On his visit to the East Malaysian state of Sarawak, he said it was aimed at looking into areas for investment in the state.

PNG To Take United Environmental Stand

BK2107090091 Kuala Lumpur BERNAMA in English 0453 GMT 21 Jul 91

[Text] Kuala Lumpur, July 21 (OANA-BERNAMA)—Malaysia and Papua New Guinea (PNG) have agreed to take a united stand at the United Nations' conference on environment and development in Brazil next year.

The agreement, in a bid to counter attacks on environmental issues by the developed countries against developing countries, was reached at bilateral talks here Sunday between Malaysian Foreign Minister Abdullah Ahmad Badawi and his PNG counterpart, Michael Somare.

Somare had attended the two-day Association of Southeast Asian Nations (ASEAN) ministerial meeting (AMM) which ended here Saturday. PNG has observer status at the AMM.

Speaking to reporters after their meeting Sunday, Abdullah said Malaysia and PNG had agreed to work out an understanding on environmental issues, especially logging, at the world conference.

PNG, like Malaysia, was also a major timber exporter, he said.

Abdullah said Somare also pledged PNG's support for the proposed East Asia Economic Group and had asked Malaysia to keep it informed of its progress.

He also said that PNG had requested for more Malaysian teachers, especially to teach science subjects, and had wanted more Malaysian banks to operate there.

Abdullah said PNG was also seeking Malaysia's support for its bid for the next presidency of the United Nations.

He said Somare would hand a letter to Prime Minister Dr. Mahathir on the matter on Tuesday.

Cambodia

Deputy Foreign Minister Dismisses MIA Sighting

BK1907121191 Hong Kong AFP in English 1137 GMT 19 Jul 91

[Text] Phnom Penh, July 19 (AFP)—Cambodian officials here Friday dismissed reports that U.S. servicemen could still be in the country while adding that Phnom Penh is ready to follow up any leads.

"I don't think it's true," Deputy Foreign Minister Phi Thach said of a photograph published this week in the United States that reputedly shows three U.S. Servicemen being held in Cambodia.

The three were shot down between 1966 and 1970 in Vietnam or Laos.

Mr. Phi Thach said "We have (in the past) declared that there are no MIAs(missing in action) still surviving here."

He added that if there were sightings Phnom Penh was ready to do its best to try and get them back home. Phnom Penh last year handed over to the U.S. military six sets of remains of suspected MIAs from the Indochina War.

The Pentagon list 3 servicemen as still missing in Cambodia.

Perm-5 Members, Indonesia Issue Communique

BK1907125591 Phnom Penh SPK in English 0600 GMT 19 Jul 91

[Text] Phnom Penh SPK July 19—Representatives of the five permanent members of the UN Security Council and the cochairmen of the PICC [Paris International Conference on Cambodia] met in Beijing on July 17-18 and released the following communique:

The cochairmen of the Paris conference and the five permanent members of the United Nations Security Council met in Beijing July 17-18, 1991. The representative of the United Nations secretary general was also present.

The five and Indonesia note the repeated assurances by all the Cambodian parties of their acceptance of the August 28, 1990 UN framework document in its entirety, as endorsed by the Security Council in Resolution 668 and acclaimed by the General Assembly on October 15, 1990, as the basis for settling the Cambodian conflict. They observe with satisfaction that, based on this commitment, the Supreme National Council [SNC] had made significant progress towards a comprehensive political settlement at meetings held recently in Jakarta, Phatthaya, and Beijing.

They welcome the election of Prince Sihanouk as president of the Supreme National Council.

These developments have created a new situation and a new opportunity to bring lasting peace to Cambodia. The five and Indonesia thus urge the now operational SNC to accelerate efforts to overcome the remaining difficulties and to reach consensus in a continuing spirit of national reconciliation, on a comprehensive political settlement—based on the draft agreements of November 26, 1990—at its forthcoming meeting in Bangkok on August 26-28, 1991. Such consensus would make possible the early reconvening of the Paris conference on

Cambodia to adopt and endorse a comprehensive political settlement which would be referred to the United Nations for approval and implementation.

The five and Indonesia welcome the decision of the SNC to implement an unlimited cease-fire. They also welcome its decision to stop receiving foreign military assistance, will respect this decision themselves and call upon all concerned countries to do likewise. The five and Indonesia also express the hope that the countries neighbouring Cambodia will prohibit the delivery of military equipment to any of the Cambodian parties from their territory. They also reiterate that the withdrawal of foreign military forces, the cease-fire and the cessation of outside military assistance must be effectively verified and supervised by the United Nations.

To that effect, they welcome the proposal made by the SNC that a United Nations survey mission should be sent to Cambodia. They agreed to recommend the dispatch of such a mission. The mission would begin the process of preparing for the military aspects of UNTAC [UN Transitional Authority in Cambodia] and could consider how the secretary general of the United Nations can use his good offices to help maintain the unlimited informal cease-fire now in effect.

The five and Indonesia welcome the decision taken at the initiative of Prince Sihanouk to establish the SNC in Phnom Penh later this year. They positively view sending diplomatic representatives to the SNC after the council establishes itself in Phnom Penh. Such representatives would be sent in the expectation of free and fair elections to be held under the auspices of the United Nations, as part of the comprehensive political settlement, in accordance with the framework document of 28 August 1990 and as envisaged in the November 26, 1990 draft agreements.

The five and Indonesia agreed to meet again in Bangkok on August 29-30, on which occasion they will also hold discussions with the SNC following its meeting during the preceding days.

The participants expressed appreciation to the Government of the People's Republic of China for its excellent arrangements in hosting the current meeting.

Hun Sen Meets PRC Vice Foreign Minister

*BK2007055691 Phnom Penh SPK in English
0458 GMT 20 Jul 91*

[Text] Phnom Penh SPK July 20—Prime Minister Hun Sen of the State of Cambodia met in Diaoyutai, state guest house, Beijing, Friday evening with Xu Dunxin, vice foreign minister of the People's Republic of China, reports an SPK special correspondent from the Chinese capital.

Speaking to his host, the Cambodian leader expressed his gratitude to the government and people of the People's Republic of China as well as all Chinese officals for their warm hospitality which, he said, had facilitated the work and sojourn of the delegation of the SNC [Supreme National Council] from the State of Cambodia, thus ensuring its fine results.

The Cambodian prime minister also voiced his satisfaction at the outcome of the just concluded informal inter-Cambodian meeting which was very inspiring for a comprehensive solution of the Cambodian problem.

In his reply, Xu Dunxin, who is also an expert on Cambodian affairs, highly praised the goodwill and flexible attitude of the government of the State of Cambodia in finding lasting peace for the Cambodian people.

"This is a new phase for the comprehensive solution of the Cambodian proble," Xu Dunxin stressed.

Also participating in the meeting on the Cambodian side were Hor Namhong, member of the SNC and foreign minister; Im Chhunlim, SNC member and first deputy head of the PRPK [Kampuchean People's Revolutionary Party] Central Committee office; Cham Prasit, deputy minister attached to the prime minister office, and Sok An, deputy foreign minister.

On the Chinese side were Tu Xuexhang, advisor to the Asia Department of the Foreign Ministry; Ning Xiqiu, deputy chief of the Asia Department, and Hu Quanwen, Mr. Xu's first secretary.

The meeting, the first ever held since the downfall of the Pol Pot genocidal regime, was followed by a cordial dinner in honour of Prime Minister Hun Sen and his party.

In a related development, Sok An, deputy foreign minister of the State of Cambodia, also met with Kenneth Quinn, deputy assistant to the U.S. secretary of state, in Beijing the same day.

Sihanouk in Pyongyang; Hun Sen Meets Rogachev

*BK2207051491 Phnom Penh SPK in English
0215 GMT 22 Jul 91*

[Text] Phnom Penh SPK July 21—The president of the Supreme National Council [SNC] of Cambodia, Norodom Sihanouk, and Cambodian Prime Minister Hun Sen yesterday arrived in Pyongyang, capital of the Democratic People's Republic of Korea, reports VNA.

They were greeted on their arrival by Vice President Yi Chong-ok and Vice Premier and Foreign Minister Kim Yong-nam.

The Vietnamese ambassador was among representatives of the diplomatic corps present at the airport to welcome the Cambodian guests.

Earlier, Soviet Deputy Foreign Minister Igor Rogachev met with Hun Sen in Beijing on July 19 to discuss peace in Cambodia and bilateral relations between the Soviet Union and Cambodia, according to TASS.

For his part, Rogachev highly appreciated positive contributions made by the Cambodian state delegation headed by PM [Prime Minister] Hun Sen at the SNC informal meeting recently held in the Chinese capital, speeding up national reconciliation.

The two sides voiced full support for an early political solution to the conflict in Cambodia in the interests of the Cambodian people and for peace and cooperation in Southeast Asia.

They also advocated furthering the friendship and cooperation between the Soviet and Cambodian peoples.

Commission for Socioeconomic Aid Set Up

BK2207130691 Phnom Penh SPK in English
1140 GMT 22 Jul 91

[All quote marks as received]

[Text] Phnom Penh SPK July 22nd—Prime Minister Hun Sen, representative of the State of Cambodia, and Prince Norodom Sihanouk, chairman of Cambodia's Supreme National Council, agreed on Monday in Pyongyang, capital of the Democratic People's Republic of Korea, on the creation of a commission in search of aid for the economic and social rehabilitation in the State of Cambodia.

Following is the text of the communique issued by P.M. Hun Sen and Prince Sihanouk and sent by an SPK correspondent from Pyongyang:

"Prompted by the profound desire to relieve the people of difficulties, to improve their living conditions and to seek foreign aid for the economic and social rehabilitation and development in the State of Cambodia, H.R.H. [His Royal Highness] Prince Norodom Sihanouk, president of Cambodia's Supreme National Council, agrees with leaders of the State of Cambodia on the creation of a commission named "the Commission in Search of Aid for the Economic and Social Rehabilitation and Development in the State of Cambodia; or more simply "the Commission in Search of Aid" which is composed of the following:

1—H.R.H. Prince Norodom Sihanouk, president of Cambodia's Supreme National Council, as president,

2—H.E. [His Excellency] Heng Samrin, president of the State Council of the State of Cambodia, as vice president,

3—H.E. Chea Sim, chairman of the National Assembly of the State of Cambodia, as vice president,

4—H.E. Hun Sen, chairman of the Council of Ministers of the State of Cambodia, as vice president,

5—H.E. Kong Sam-ol, vice chairman of the Council of Ministers of the State of Cambodia, as general secretary,

6—H.E. Hor Namhong, foreign minister of the State of Cambodia, as member,

7—H.E. Yos Son, education minister of the State of Cambodia, as member,

8—H.E. Him Chhem, deputy minister of information and culture of the State of Cammodia, as member,

9—H.E. Tram Iev-toek, deputy minister of communications, transport and posts of the State of Cambodia, as member,

10—H.E. It Prang, deputy minister of industry of the State of Cambodia, as member,

11—H.E. Chhea Song, deputy minister of agriculture of the State of Cambodia, as member,

12—H.E. Dr. Mi Samedi, deputy minister of pulic health of the State of Cambodia, and secretary general of the Cambodian Red Cross, as member.

This commission has the task of keeping in touch with various governments, international organizations, nongovernmental organizations or charity persons across the world with the aim of obtaining aid for the following domains:

—Relieving the difficulties of the people who are actually affected by natural calamities such as flood and drought, and improving the living conditions of the Cambodian people;

—Improving the living conditions of the handicapped persons, orphans, the helpless persons, the refugees an displaced persons;

—Rehabilitation of the infrastructures of communications (roads, railroads, river-ports and sea-ports, airports and bridges), and the telecommunications, industrial sectors, electric power, drinking water...

—Preservation and restoration of the Angkor temples and other ancient ruins;

—Rehabilitation and development of the agricultural, fishing and rubber infrastructures, the hydraulic system;

—Rehabilitation and improvement of the health network, urban hygiene, and development of culture, arts and sports;

—Training of specialists in various sectors...

This commission will cooperate with various ministries and institutions of the State of Cambodia on the principle according to which "the commission in search of aid, the administration of the State of Cambodia will direct aid toward the concerned sectors. The aid donors will supervise the distribution and use of the aid".

The president and vice presidents of the commission have the right and task to follow the execution of the aid projects, and eventually, give advice to the responsible authorities in charge of realizing the aid projects.

The time and the venue of the meetings of the commission will be determined by arrangement among the president and vice presidents of the commission.

The commission will begin exercising its various tasks from the day of publishing this communique.

Phnom Penh Welcomes ASEAN Decision on Envoys

BK1907115391 Hong Kong AFP in English 1135 GMT 19 Jul 91

[Text] Phnom Penh, July 19 (AFP)—The Phnom Penh government welcomed Friday a decision by the Association of Southeast Asian Nations (ASEAN) to accredit representatives to Cambodia's Supreme National Council [SNC].

Deputy Foreign Minister Phi Thach said Phnom Penh was very happy and said ASEAN had made a "very good position." He said the decision, announced earlier Friday in Kuala Lumpur, would help "improve relations between the neighbouring countries in Asia."

In a statement issued just before a two day annual meeting, ASEAN foreign ministers said they felt it was now necessary to recognise the SNC because it was "constituted and functioning."

ASEAN, grouping Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, called for international support for the body and expressed hope for an early reconvening of the Paris International Peace Conference on Cambodia.

The SNC groups Phnom Penh with the three resistance parties and is headed by former monarch Prince Norodom Sihanouk. It will set up headquarters in Phnom Penh later this year and take up Cambodia's United Nations seat.

ASEAN has been a principal backer of the resistance in the past.

Samphan Says SNC Achieves 'Immense Success'

BK2007035691 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 19 Jul 91

[Text] At a meeting with PRC Premier Li Peng on the night of 17 July, Khieu Samphan, Cambodian vice president in charge of foreign affairs and head of the Party of Democratic Kampuchea, said this round of Supreme National Council [SNC] talks in Beijing had scored immense success towards achieving a national reconciliation. He added the Cambodian people would move toward a new phase, meaning they would independently achieve national reconciliation without discriminating against political persuasions.

Parties To Name Sihanouk as First President

BK2107031691 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 20 Jul 91

[From the "Foreign News" feature]

[Excerpt] In a recent interview with Voice of America, Samdech Norodom Sihanouk, chairman of the Cambodian Supreme National Council [SNC], said all the Cambodian parties had agreed that Cambodia would adopt the fifth French Republic-type democratic liberal regime with many political parties which would contest elections.

The samdech added that all the Cambodian parties had also made a promise to him that they would nominate him as the first president of Cambodia without elections. [passage omitted]

VODK Hails UNSC-Indonesia Communique

BK2207023691 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 21 Jul 91

[Station commentary: "The Cambodian people welcome and applaud the press communique issued on 18 July 1991 by the five permanent members of the UN Security Council and Indonesia"]

[Text] After the Supreme National Council [SNC] issued a joint communique in Beijing on 17 July, the five permanent members of the UN Security Council [UNSC], cochairmen of the Paris International Conference on Cambodia [PICC], and representatives of the United Nations [UN] who were also in Beijing to discuss the Cambodian problem issued a press communique voicing support for this SNC joint communique, particularly the election of Samdech Norodom Sihanouk as SNC president, and agreed on the SNC's proposal that a survey mission be sent to Cambodia to estimate the monitoring regulations and appropriate number of UN personnel for a supervisory role in Cambodia.

The communique of the five UNSC permanent members and PICC cochairmen stressed that the mission would begin the process of preparing for the military aspects of the UN Transitional Authority in Cambodia [UNTAC] in Cambodia.

The five UNSC permanent members and Indonesia also urged the now operational SNC to accelerate efforts to overcome the remaining difficulties and reach consensus, in a continuing spirit of national reconciliation, on a comprehensive political settlement—based on the draft agreements of 26 November 1990—at its forthcoming meeting in Bangkok on 26 to 27 August 1991.

The Cambodian people welcome and acclaim this communique of the five UNSC permanent members and Indonesia. We regard this communique as an encouragement for speeding up a settlement to end the Vietnamese war of aggression against Cambodia that has lasted more than 12 years now through a comprehensive political solution in line with the framework document dated 28 August 1990 and UNSC resolution 668.

We especially welcome their agreement to send a survey mission to Cambodia in order to begin preparing for the military aspects of the UNTAC. This is a very important issue because settlement of the Cambodian problem requires an extensive UN role, particularly comprehensive supervision in Cambodia—namely, the withdrawal of foreign aggressor forces from Cambodia, a cease-fire, the ending of military aid, and a free and fair election in Cambodia.

The Cambodian people would like to thank the five UNSC permanent members and the PICC cochairmen for their correct and just stance metioned above.

We are convinced that with such a correct and just stance and through the efforts made by the international community, particularly the five UNSC permanent members and the PICC cochairmen, as well as the efforts of the SNC with Samdech Norodom Sihanouk as its president, a settlement of the Cambodian problem will certainly be achieved soon, thereby enabling Cambodia to regain independence, sovereignty, territorial integrity, and the right to self-determination, with the Cambodian people gaining the right to live happily and harmoniously in great national union and national reconciliation without bickering or trying to slash each other's throats and without white, black, blue, or red factions.

Laos

Japanese Aid Handed Over to Sericulture Center

BK2007105891 Vientiane KPL in English 0914 GMT 20 Jul 91

[Text] Vientiane, July 20 (KPL)—The aid from the government of Japan to the sericulture centre of Vientiane prefecture was handed over on July 19 at the centre in Hatsaifong Tai village, Vientiane prefecture by Mr. Shigemi Ando, ambassador extraordinary and plenipotentiary of Japan to the PDR [People's Democratic Republic].

The recipient was represented by Mr. Phimpha Thepkhamheuang, vice-mayor of Vientiane prefecture.

The aid consists of four tractors, one car and other equipment for sericulture worth 28 million yen (Japanese currency).

On the same day, a 45-day training coarse on sericulture was closed at the centre.

More than 20 persons attended this course which was funded by the Save the Children Fund, Australia, worth 1.2 million kip (Lao currency).

Saman Vi-gnaket Returns From Cambodia

BK1807130791 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 18 Jul 91

[Text] On the evening of 16 July, the delegation of the Ministry of Education and Sports led by Saman Vignaket, Political Bureau member of the party Central Committee and minister of education and sports, returned home after ending a visit to the State of Cambodia from 10 to 16 July at the invitation of the Ministry of Education of that country.

During the visit, the Lao delegation met and exchanged views with their Cambodian counterparts and drew many lessons from each other on the education situation in the two countries. The two delegations also discussed cooperation plans in the education and sports fields in the years to come. At the same time, the Lao delegation also visited Phnom Penh University and Tuol Sleng School, which was used as a detention center for torturing prisoners during the rule of the Pol Pot regime. The Lao delegation made a field trip to the Angkor Wat ruins and visited production bases and the Lao-Cambodian friendship village in Kandal Province.

Welcoming the delegation at Wattai airport were Somlat Chanthamat, Political Bureau member and head of the Propaganda and Training Board of the party Central Committee; deputy ministers; and heads of the various departments under the Ministry of Education and Sports.

Vientiane Front Delegation Leaves for Cambodia

BK2007104291 Vientiane KPL in English 0912 GMT 20 Jul 91

[Text] Vientiane, July 20 (KPL)—A delegation of the local branch of the Lao Front for National Construction of Vientiane capital, led by its president Mr. Channong Inthavong, left here on July 19 for Phnom Penh, the capital of the State of Cambodia, on a two-week friendship visit at the invitation of Dr. Mi Sameci, president of the United Front for Construction and Defence of the Kampuchean Fatherland of Phnom Penh capital.

The delegation was seen off at the airport by senior officials of the Vientiane administrative committee.

Khamphet Phengmeuang Appointed Envoy to SRV

BK1707154891 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Jul 91

[Text] Yesterday evening at the Presidential Office, Phoumi Vongvichit, acting president of the Lao People's Democratic Republic [LPDR], presented credentials to Khamphet Phengmeuang to be new ambassador extraordinary and plenipotentiary of the LPDR to the SRV to replace Bouasi Chaleunsouk who recently completed his term in that country.

Phoumi Vongvichit gave much advice to the new Lao ambassador to the SRV and wished him success in fulfilling his diplomatic mission by ultimately using all wisdom and knowledge in carrying out his duties, thereby contributing to further developing and strengthening all aspects of the time-honored special relations between the parties, governments, and peoples of Laos and Vietnam with every passing day.

Minister Attends Public Security Meeting

BK1807134391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 18 Jul 91

[Text] In early July, the command of the public security forces of Vientiane Province held an official meeting to review public security work in the first six months of 1991 and to map out a plan to carry out work in the second half of the year.

Attending the meeting as honored guest was Major General A-sang Laoli, member of the party Central Committee and minister of the interior. Also attending the meeting were some 70 cadres attached to the provincial public security forces command and the commands of the public security forces in nine districts in the province.

In addition to discussing and assessing the victories and achievements recorded by cadres and combatants in the first half of 1991 and mapping out the plan for the second half of the year, the meeting also studied and analyzed the resolution adopted at the fifth party congress, especially on the national defense and public security maintenance work in the new period aimed at maintaining order, peace, and security in the province.

Emergency Fund Allocated for Antidrought Campaign

BK2007071191 Vientiane KPL in English 0922 GMT 20 Jul 91

[Text] Vientiane, July 20 (KPL)—The Ministry of Agriculture and Forestry has recently decided to allocate a preliminary emergency fund of 30 million kip to cope with the ongoing drought striking nine provinces in the country. The nine drought-stricken provinces include Luang Prabang, Sayaboury, Vientiane, Bolikhamsai, Khammouane, Savannakhet, Saravane, Champassak provinces, and Vientiane preferture.

Mr. Khampha Silisomphon, member of the anti-drought secretariat, Ministry of Agriculture and Foreetry, pointed out that part of the 30 million kip fund would be for the dispatching of officials, technicians and personnel to the scenes. The rest in combination with the nine provinces' budget will be used in the renovation of irrigation facilities, for the purchase of spare parts, water pumps, rice seeds, fuel and some others.

Philippines

Aquino Interviewed on U.S. Bases, Other Issues

HK2207080791 Quezon City Radyo ng Bayan in Tagalog 1300 GMT 21 Jul 91

[Interview with President Corazon Aquino by Attorney Dong Puno and Joe Taruc on "Ask the President" program; live—italicized portions in English]

[Excerpts] [passage omitted] [Puno] I would like to ask about the bases because it seems that an agreement has already been reached. But many of the senators are saying that they are already in favor of the ratification of the bases agreement but lament that the compensation was very low. What has been the negotiation about that and why do others perceive that we got very low compensation?

[Aquino] We all know that it is different now, *because this is the post-Pinatubo, so to speak.* And when I talked to the senators prior to the talks between Secretary Manglapus and Mr. Rich Armitage, I have explained to them that there will be some changes because Clark will be given up. Ambassador Pelaez told me when I asked him to come over here to give me feedback about what is being talked about in Washington there was indeed an intention by the Americans to leave Clark. It is not only that Clark was greatly covered with ash but that until now there is no idea when Pinatubo will stop belching ashes. So, I explained to our senators that this was the reason the compensation must be lowered. Ambassador Pelaez told me the Americans are really cutting down on their military bases expenses not only overseas but also in their own country. He told me that it will be difficult for the congressmen to explain to their constituents why they are reducing manpower in their military bases in the United States while maintaining those in other countries. What I can say is *under the circumstances, I believe the compensation is fair. If the situation were different definitely we would have insisted on more.*

[Puno] There are senators who are suggesting that there should be another negotiation to make certain changes on whatever has been agreed upon. What is your reaction to this, Mrs. President?

[Aquino] I think that can be answered through the so-called program review group. What has been agreed is that each year the *bilateral committee composed of both Filipinos and Americans* will meet. This, according to Secretary Manglapus' explanation to me, is being done only by the United States with Israel. They have a program review group, and they talk about what can be done based on the needs of each country.

[Taruc] At DZRH, we often get criticism from listeners about the government spending 50 million [Philippine] pesos on the so-called conversion plan. Is there truth to this, Madam?

[Aquino] You know that the conversion plan is what I am waiting for from our congress. I hope they can release the bases conversion authority because we need this so our men in government who will take charge of the bases conversion can now move. But because of Mt. Pinatubo, we will also change that conversion plan because, as we thought before, we can convert it into an international airport but that will take time because Clark will have to be cleaned up first. And I hope the Americans will do so before they leave. Although they will no longer use Clark, Mr. Armitage has assured Secretary Manglapus that they will not leave Clark in that condition. They also need enough time to take out their facilities, especially the personal effects of the dependents previously residing in Clark.

[Taruc] Mrs. Aquino, the two houses of congress are said to have opposing opinions about the bases. It is said that more members are opposed to the new agreement reached. Have you talked to any of them?

[Aquino] It is like this, when we were meeting with the senators, I explained to them my position and we in the executive branch need to present to them what these negotiations are all about, to just brief them on the latest happenings regarding the bases talks. And we are doing that. Now, when I was meeting with them, one of them also said that not because we are not saying anything here, we already agree with that. So, I said that I am not seeking your vote, I am just presenting to you what has been going on in all these talks; and we are also seeking recommendations from you on what you think would be best for the country. It is just like that. What is best is that we let them, the senators, be. *And certainly I respect all of the senators in discussing all of the matters contained in this agreement. And it is for them to decide what they believe also is, I believe, would be to the national interest.*

[Taruc] Many are saying, Mrs. President, that the compensation package is very low. They are guessing that the compensation package has an attached benefit together with the compensation. What is the truth?

[Aquino] Yes, because we have the so-called *directly related to the bases.* [sentence as heard] Now, our relationship with the United States is not based only on the bases because we talk about economic cooperation and there are other many things, apart from the bases relationship. Like for example the N-A-I-T-A-T [expansion unknown], that is not tied with the military bases because it is a multilateral assistance and many of the donor countries cannot give assistance tied with the military bases. That is prohibited by their respective constitutions. One of those countries is Japan. That is only one thing not tied with the military bases. Well, just like our need for more trade quotas with the United States, like the garments quota, there is a need for this garments quota to be increased.

We are thinking that if we have good relations with the United States, then maybe they can help us in these things like increasing quotas or helping us obtain debt condonation or debt relief because we know that the United States is a member of many multilateral organizations and they really have great influence. There are many things which we cannot quantify. But what is clear is that, here in this world, we cannot afford not to coordinate with other countries. We can see today that not only North relates with South but South relates also with South, just like what you said, we need to help each other. That is what I want to explain to our countrymen. It is true maybe that starting in 1993 the compensation will only be 203 million [pesos], but in 1992, the amount was no longer reduced. But let us remember that we should maintain good relations *not only with the United States but with as many countries as possible.*

[Puno] What will we do if others really want a firmer promise because of the elements of the compensation package? We have the regional cooperation fund, we have the endorsement of the United States in our requests, such as for additional funding. Suppose our senators will not agree because it is [the compensation] very low and there is no firm guarantee, what will happen if it is not ratified?

[Aquino] I am still hopeful that it will be ratified because just as I have said, *unfortunately, we cannot do it alone.* Even the United States, which is *the most powerful nation in the world, they cannot do it alone.* So we need to have friends. We cannot be completely on our own. So I am still hopeful and I appeal not only to senators but to our countrymen, that in the coming days, especially during the return of Secretary Manglapus, we, who are in the executive branch, will explain everything and why we agreed to that kind of an agreement.

[Puno] In this issue, you will really discuss with the senators on one-on-one. *You will try to lobby them.*

[Aquino] Yes, and I will request them and our countrymen that if they think the agreement we arrived at is good enough, help me to lobby in the Senate.

[Taruc] The joint session of Congress will start on Monday. Out of the 11 [senators] who openly oppose the said agreement, has there been any word from anyone of them that they will reverse their stand?

[Aquino] None yet, I think they will study very well every detail of the agreement and they will review what I was saying in connection with the bases. As a matter of fact, there are those which are directly related and there are those which will be affected *by our present relationship with the United States.* [passage omitted]

[Taruc] In your recommended reduction, it was noticed that the fuel oil can only be reduced in Napocor [National Power Corporation], other industries using banker sea well [words as heard] were not included. It could have been better if they were included so they could also reduced the prices of their products.

[Aquino] You know, first of all, that rollback in the prices of products, if you remember way back last year, when we reduced the prices of oil, I requested this from manufacturers and producer. I requested that since we have already reduced the prices of fuel oil, they should also reduce the prices of their products. Their reply, *and we have this on video,* Ma'm, that does not have anything to do with our production cost so we cannot reduce our prices; but when fuel oil prices went up, they also hiked their prices. Now they should explain to the people why they cannot reduce these prices. Why are we giving this to the NPC [National Power Corporation]? You know the NPC has hiked its prices by 72 centavos, but there was one senator who went to the Supreme Court and availed of a restraining order. The Supreme Court, in turn, passed the issue to the ERB [Energy Regulatory Board] for review. We are hoping that if we will give all of this to the NPC, it would be unncessary to increase power rates because all of us are using electricity. Very few, maybe only one percent do not use electricity, especially here at NCR [National Capital Region]. Now, if we cannot help the NPC, the national government would have to susidize our projection for this year, 7 billion pesos. And where will we get this 7 billion pesos? That is what I want our countrymen to understand because experts from those factories say that not very many are using fuel oil and just like what they told me, fuel oil is a very little part of their production cost which is why they cannot reduce their oil products when we reduced fuel oil. So what is best would be for them to reduce the prices of their products first and then we discuss how to reduce fuel oil prices later. If not, we might reduce the fuel oil prices and then nothing will happen again. Both the government and the people will suffer.

[Puno] Mrs. President, Secretary Renato de Villa has started to serve as defense chief but there is strong oppsition to your appointment of a military man to head the DND [Department of National Defense]. What can you say about their attempt to block the confirmation in the commission?

[Aquino] Just as I have already said, I sincerely believe that Renato de Villa is the best man for the job at the present time. Maybe in the coming administration, they can get a civilian. Anyway, only a few months are left in my administration and we will have the election in May. I need someone who already knows how to handle this post, especially someone who will surely do everything I will ask him to do such as my order for neutrality in the coming elections. When Secretary De Villa swore to office, I told him, "Rene, it is very clear *you will not favor anybody and all that the military will do is to vote and to ensure that all qualified voters who want to vote will be allowed to vote in a peaceful and orderly manner.*" This is very clear and I also told General Abadia that in the next command conference, he should reiterate this to all of our commanders and I also would like him to explain to them the things they are only allowed to do. They will only vote and they will not interfere and they will not campaign for any candidate.

[Taruc] In a survey we conducted, the majority are opposed to the confirmation of General Renato De Villa. What will happen should his confirmation be delayed?

[Aquino] I think, if they study and assess his qualifications and especially his accomplishments during the past five years, *our experience with Secretary De Villa, I think is really very commendable. He has remained firm and true to our Constitution and to our democracy. And I have full trust that Rene de Villa will do his job with neutrality. He will only side with the citizens. We will do everything to allow all citizens who can and would like to vote, to vote. And they will not be harrassed by anyone. Secretary De Villa also has a very good relationship with the PNP [Philippine National Police], who will have to coordinate with each other, not only on election but on the enemies of our democracy. They will have to help each other on this thing so our country can someday enjoy peace and prosperity.*

[Puno] Many suspect that De Villa's appointment is attached to the probability that Secretary Ramos will run for president. What do you have to say about this?

[Aquino] Maybe because they have known each other for a long time, they get associated with each other, but this is what I made clear to General De Villa, that if I have doubts that he will side with Secretary Ramos and will favor him over the others, I would not have talked to him at all. I really have full trust that Secretary De Villa *will be performing his duty according to our Constitution and according to the wishes of our people.*

[Puno] [passage omitted] Many columnists are saying that they are convinced that you will still run for president and proof of that is when you appointed Executive Secretary Frank Drilon. What is your comment on this?

[Aquino] When I read that, I told Frank Drilon, I said, "Frank, so you are the convincing evidence that I will indeed run for president," and we just laughed off that matter. This is what I can say to our countrymen, I am thankful that I was given the chance to become president of our country; one thing that I never conceived of. It is true, Ninoy intended to become president but the Lord had other plans for him and I am also thankful because *to die for one's country is the greatest honor that one can bestow on a citizen of this republic.* My plan is *when I finish my term, I've already indicated I would like to help not only the NGOs [Nongovernmental Organizations] but also the other people's organizations.* I saw in our democracy, [changes thought] first of all, I became president because of people power. So it is just fair that I reciprocate this honor given to me by our people. *So people power made me president, and as president, I have tried my best to empower the people.* [passage omitted]

Aquino Issues State of Nation Address 22 Jul

HK2207123991 Quezon City Radyo ng Bayan in Tagalog 0810 GMT 22 Jul 91

["State of the Nation" address by President Corazon C. Aquino at opening of Congress at the National Assembly building, Quezon City—live in English; italicized portions in Tagalog]

[Text] Senate President Jovito Salonga, Speaker Ramon Mitra, Chief Justice Marcelo Fernan, Honorable Diosdado Macapagal, distinguished members of the Senate and the House of Representatives, your excellencies of the diplomatic corps, fellow workers in government, honored guests, *my dear countrymen.*

In March 1973 six months after the declaration of martial law, Ninoy Aquino was taken blindfolded from

Fort Bonifacio and brought to a place he did not know. He was stripped naked and thrown into a cell. His only human contact was a jailer. The immediate prospect in such a place was a midnight execution in front of a grave dug by himself.

The purpose was as clear as it was diabolical. It was not to kill him yet but to brebk him first and with him break the compelling truth that men can stand up to a dictatorship.

He came close to giving up he told me. He slipped in and out of despair, but the power that must have been God held him together. He remembered the words of the Epistle. God chose the weak to confound the strong.

On the third anniversary of his incarceration in Laur, the recollection of his pain gave birth to a poem of hope. This is the poem he wrote: I am burning the candle of my life in the dark with no one to benefit from the light. The candle slowly melts away. Soon its wick will be burned out and the light is gone. If someone will only gather the melted wax, we shape it, give it a new wick for another fleeting moment, my candles can once again light the dark, be of service one more time, and then goodbye.

This is the anguish of good men. That the good they do will come to nothing. The saints suffering in obscurity or sacrifices made away from the sight of men amount to the same, and mock the man or woman who bears them.

Mr. Senate President, Mr. Speaker, members of the Congress, distinguished guests, my countrymen, that is not true. None of the good that we do is ever lost. Not even the light in an empty room is wasted.

From Ninoy's burnt out candle, and thousands like it in cells throughout the garrison state, we gathered the melted wax and made more candles to burn not as long in such loneliness, but much more brightly all together as to banish the darkness and light us to a new day.

You might ask when will the president stop invoking Ninoy's name. My answer is when a president stands here other than by Ninoy's grave and not while gratitude is nourished by memory, not while we acknowledge that it was his sacrifice that gave us back our freedom and restored the freely elected office whose incumbent must stand every year in this place.

Five years have passed. My term is ending and so is yours. As we came, so should we go. With grateful acknowledgement to the man who made it possible for us to be here. A man who discovered hope in the starkest despair and as something yet to teach a country facing adversity again.

It would be foolish to ignore what's staring us in the face. Our march of progress brought us far but such misfortunes have come upon us as to make us feel that we are not much farther from where we started.

The eruption of Mt. Pinatubo is the biggest in this century. Abroad, it's effect is so far reaching as to lower the temperature of the earth. At home, it is so devastating it knocked off 80,000 productive hectares from our agriculture and destroyed the commerce of at least three provinces. Hundreds of thousands were driven from their homes and livelihood and thrown on the kindness of relatives and countrymen and on the solicitude of the state. It was an event so powerful it wiped out the largest military base in the Pacific and changed the nature of our relationship with an old ally. In the wake of the volcanic eruption, more has been revealed about that relationship than was covered by its ash.

Before Pinatubo, there was the typhoon that cut a wide swath of destruction across the southern region. And before that was the killer quake that cut off the northern part of the country, destroying billions of pesos in infrastructure, causing the loss of billions more in foregone economic activities. It messled [as heard] "The City of Pines" [Baguio City] and buried children in the rubble of yet another city. But those natural calamities were preceded by another entirely the work of human hands. The massive December 1989 military revolt that cut short a second economic recovery after the dislocation caused by the earlier August 1987 coup attempt. That one strangled the powerful rebound of the Philippine economy after the EDSA [Epifanio de los Santos Avenue] revolution.

I mentioned these calamities not to excuse the perceived shortcomings of my administration nor to brag about my indestructibility. I mentioned them so that we know where we are and why we are here. And the exact requirements of the task to build up this country yet again. I mentioned them because I will compare them with what we had and lost. And then I will ask was it all in vain? And I will answer, it was not. No more than a hero's life is wasted. [applause]

By 1985, the economy had contracted considerably. It's rate of growth had been negative for two consecutive years. The country was at a standstill, as if waiting only for the last rites to be performed. By 1986, we had turned the economy around in less than a year. We improved on that performance the year after. The rate of unemployment was reduced. The volume of new investments significantly increased. New industrial projects were introduced. Hitherto idle industrial capacity was fully utilized. The foundation of new regional industrial zones was laid. Public infrastructure and services screamed under the load of expanding economic activity.

I mentioned these not to offset the shortcoming of the present with the achievements of the past. I mention it to show what can be done in such a short time. And how much improvement was made from conditions far worse than what we have today, the dictator's apology not withstanding that the country is worse off now than when he and his wife were stealing the country blind.

This progress was cut off by the August '87 coup attempt. But the economy quickly rallied, and in two years, recovered a great deal of the ground we had lost. We were on the verge of a second takeoff when the December 1989 coup broke out. It drained the last drop of confidence in our future from all but the hardiest spirits and shatterad our image abroad.

Still, we persevered, achieving gains that admittedly continue to fall short of the galloping needs of a fast growing population, but real gains nonetheless.

Improved health care, increased housing, and one of the proudest achievements we share with the legislature, free secondary education. Six hundred sixty thousand youths immediately availed themselves of it. Another 200,000 private schools students received scholarship grants under another recent law. Eighty thousand new classrooms have been built. The first preparation of the nation for the future of economic competition which would take place in the highly educated minds of the youth.

We have made the first serious effort to arrest environmental degradation already so far advanced in the previous regime that it set up an agency that did nothing about it anyway. We have pushed agrarian reform beyond the point of no-return, almost completing its coverage of rice and corn. Its extension to other agricultural activities is proceeding at a pace consistent with our resolve to achieve for the farmer the prosperity promised by agrarian reform and not just its bare legal implementation.

Indeed, we started to make up our losses and kept on going through the Gulf crisis which doubled the price of energy and introduced the element of a tremendous uncertainty, not only about our economy, but that of the world as well. You might ask, having lost so much, so easily, what was the worth of all that effort? With such reversals of fortune, is progress for our country a hope in vain? Paul says that suffering produces perseverance. Perseverance, character, and character, hope. The good we do is never lost. Some of it remains, if not in material good, then in a deeper experience, a more practiced hand, and the spirit made stronger by that which failed to break it, stronger to meet greater challenges ahead.

But in one thing, we grew from strength to strength in the enlargement of our democratic space and the strengthening of our democracy. Every calamity tested the capacity of democracy to absorb distress, find relief, and meet the absolute necessities of the people, without the least curtailment of freedom or compromise of rights.

Against our economic gains that are ever hostage to fortune stands one steadfast unalloyed achievement—our democracy. Destined, I believe, to outlive our problems and decked with the greatest of liberty, the material progress of our future. That achievement is better seen from the disinterested distance of foreign admirers than from the myopic view of those at home who wish to destroy it. [applause]

It is an achievement entirely in our power to preserve and enhance. Visitors from the new Germany asked me, what things strengthened democracy? Economic progress, naturally I said, but the attainment of that depends on external factors more than on the will of a developing country. But there is a way to strengthen democracy that is within any country's reach. That is through the empowerment of the people. This is obvious to a government like ours that came to power by its means, as well as to a people like the Germans who attained complete freedom in the same way.

But empowering the people means more than just giving them elections every three years. It means enlarging their contact with government beyond election to its daily workings so that the vast resources of one support the initiative of the other and the policies of the government are refined by the insights of the people. [Aquino provides Tagalog translation to preceding two sentences] By this means the lives of the people shall be constantly improved and the people themselves empowered by the habit of directing their own government. The constant revision of law and policies and the wider application of good ones are possible only by bringing together the people and the government. People empowerment through people's organizations, NGOs [nongovernmental organizations], foundations, and cooperatives, is the surest means we know to make government mirror the aspirations of the people. [applause]

In the past the idea was to give the people just enough power to elect their mistakes and suffer the consequences until the next election. Elections were a safety valve. We want elections to be just one of other more effective means to bring the people into government and government to the people, to make it truly a participatory democracy. This is the only way to end the character of total war that elections have assumed, where the aim is the division of spoils and the victims are not just the losers but those who voted for them too. Such elections are like Russian roulette, where your chances are five to one your life will not improve, and one to five you will blow out your brains. Participatory democracy will end the practice of punishing provinces and municipalities for the wrong vote in the last poll. t will separate elections where the people vote for their favorites from the provision of public service, which every Filipino has a right to expect from the government regardless how he voted. This administration has made large steps in that direction. To the disappointment of those who marched with me against the Marcos regime, my administration has plowed resources into regions and provinces where I was cheated in the snap elections. The politics of revenge has had its day. [applause] The organized participation of the people in daily government may provide a stabilizing element that government has always lacked. Policies have radically changed with each administration. Yet the basic needs of each unchanging constituency have not been met—less bureaucracy for business, more public services and infrastructure support for agriculture and industry, and an economic safety net for the common man.

The active participation of the people in government will lend proper direction and continuity to policy. This is what I wish foremost that after me the continuity of our work is not broken. [words indistinct] shall be completed and the same mistakes avoided by succeeding administrations. In this way, nothing done shall go to waste, and the light of a misplaced candle shall still be valued for the light it sheds on the things to avoid.

I am not asking that all my programs be blindly followed by my successor. God knows we have made mistakes. But surely, our objective is right. The improvement of our people's lives and the new way is much better than those before. To give the people greater power over their lives is the essence of democracy that we must strive to bring out completely. These ideas articulated in the Kabisig [partnership] movement may not have been well received by this body. It was wrongly projected. I should make it clear that the Kabisig and the whole movement of people's organizations that I have tried to encourage will be campaigning hard for one candidate only, the Filipino people, and no one else. [applause] Give the people power movement another chance, for it will go on regardless.

I ask you to consider that we have tried the politics of spoils and patronage for half a century with no better result than the stagnation of the country in a region where everyone else is racing ahead. The formula for success is said to be dictatorial government. But we tried that already with worse results than the most irresponsible democracy can produce. Besides, the spirit of our ways will not accept a dictatorship. And memories, fresh as the scars it left, will not let us consider that option again. Democracy is the only way for us. We must, therefore, find the ways by which the pitfalls that go with its blessings are reduced while its inherent strengths are brought to the fore. Of those strengths, the most promising is people power, a reserve for nation building we tapped only once in our history with such marvelous result.

A detailed report of the performance of government is before you. The legislative agenda—principally the local government code, the civil service code, revenue enhancement measures, and electoral reforms—has been communicated to the Senate President and to the Speaker of the House.

This is the last time I shall address you on such an occasion as this. Let us clear the air between us. I could have made things easier for myself if I had opted for the popular. I could have repudiated the foreign debt, won the passing praise of a greatly relieved people and the lasting contempt of a devastated country. I could have opted for outright hostility toward the international banking system and invited its retaliation, but the only result would have been to weaken the present democracy against the conspiracies of the former government which contracted the miserable debts in the first place. I would have taken the chance if I were the only one at risk, but I had a country to take care of. [applause]

I could have called for an elected constitutional convention. Surveys showed that an elected convention was the popular choice to draft a new constitution. But I believed it was more important to draft a constitution and submit it for ratification in the shortest time possible and hold elections immediately. The people and the Army needed a full elected government and a constitution around which to rally in defense of freedom. I could not afford the luxury of the popular by waiting out the endless deliberation of an elected convention like the 1971 constitutional convention. And besides, what was so great about that experience? After a year of talk and scandal, the final draft was prepared in Malacanang, approved by the frightened convention, and ratified in a fraudulent plebiscite. I could have made things easier for myself if I had allowed the executive to influence the decisions of constitutional commission. I might have spared myself this embarrassment by interfering with the judgments of the courts. But I uphold the independence of these bodies.

I am convinced it is in all our best interest to respect an independence that may thwart the government's will from time to time, but is yet our best assurance of justice when we will need justice most. [applause]

I firmly believe in the freedom of the press. And I accept the criticisms pourred on me, painful as they are, as part and parcel of the hazards of public service, and conducive to its honest performance. True, I have sued for libel. But I did not use the power of the presidency to advance my cause. And this is shown by the fact that four years later, my case continues to drag on. [applause] I have not forgotten that what my husband wanted most in prison was for the public to hear the side of freedom and no newspaper would print it. I submitted myself to the judicial process as an ordinary citizen. And expsed myself to indignities a president should not endure. But I want to encourage people to seek redress in the law. Despite the inconvenience, rather than in vindictiveness which has no end. I want them to make the cause of justice for one, the cause of justice for all. [applause] I have consoled myself that great men like Gandhi were not spared criticisms either, but regardless of it, he pursued the task he believed was true, mindful only of harmful effects on the people but not of the consequences to him. He believed that God demands no less of us than that we follow our conscience. God will take care of the rest. I could have done the popular thing in the last administration and arranged a nicer retirement for myself. But my instructions to PNB [Philippine National Bank], DBP [Development Bank of the Philippines], GSIS [Government Security and Insurance Service], SSS [Social Security System] and Land Bank were explicit: no behest loans and no special favors. [applause] And no special favors whether to relatives, friends, or political supporters. This accounts for the sterling performance, for the unprecedented public faith in their competence and integrity, and for the incalculable contribution, particularly of PNB and the Land Bank to the development of cooperatives and the financing of small and medium enterprises wherein lies the strongest hope of progress in this time. We can roll back prices at the drop of a hat and spare ourselves all the aggravations, but we learned that hasty roll backs exacted a heavier long-term cost on the economy and ultimately on the people than they had paid.

I could have done any of the things calculated to win a passing popularity at home. I could have thrown away by so-called popular solutions, the goodwill we have built up in financial circles by the strict performance of our obligations. This is the goodwill that accounts for the continued support extended to the Philippine Assistance Program [PAP]. Anyway, most of the pledges to the PAP are redeemable in the next administration. I could have said, 'let my successor be presented with the bill' for my popularity today. But its is the people who would pay the price, and I am not made that way. [applause]

I did not always adopt the ideal solutions proposed by those who have the luxury of contemplation. Government often had to do what pressing realities compelled it to do. And if the government sometimes lacked better choices, it never lacked the sincere desire to do good. [applause] I could have promoted only military officers popular with the press and ignored the experience of a democratic government that has been the principal military objective of the rebel forces and an insurgency that just doesn't know when to quit. But I chose instead commanders of proven courage, leadership, and fidelity to the Constitution. I could do the smart things still and do the things my opponents unfairly charge me of preparing—rigging the elections in 1992, the way I did not rig the ratification of the Constitution, the national election, and the local election, the way they rigged elections from 1969 to 1986. But my instructions to the military and police are explicit. Let them hear it again: The right of the soldier and the policemen is merely to cast his vote. His greater and solemn obligation is to assure the right of others to cast their votes and get them honestly counted. [applause] No soldier has the right to combine with his comrades, to campaign for a person or party, and deliver to them a block of the military vote. No member of the military shall lend his name, prestige, and the influence of his position to anyone's campaign. The same holds true for the police. [applause] The military has earned the people's trust as the spearhead of their liberation and the constant defender of their democracy. To these honors it is my aim to add the distinction of shepherding our democracy to its first political succession by clean and peaceful election. [applause] I will not preside as commander-in-chief over the kind of military that cheated the opposition in 1978 and me in 1986. [applause] That would insult the memory of the man to whom I dedicate this last address to the joint houses of Congress and stain the proud achievement of this nation in 1986.

I specifically charge AFP [Armed Forces of the Philippines] chief of staff General Lisandro Abadia and PNP [Philippine National Police] director General Cesar Nazareno with the responsibility to assure clean and honest election. [applause] While they may not fear my displeasure because I will not be president then, they will face the judgment of the disappointed country. Yes, I could have done all those things that win wide acclaim, exiting as grandly as any president could wish. But while my power as president ends in 1992, my responsibility as a Filipino for the well-being of my country goes beyond it to my grave. [applause] A great part of that responsibility is to do the best I can today, according to my best light while I have the power to do it.

As president, I have never prayed for anything for myself, only for our people. I have been called an international beggar by the military rebels. Begging does not become me, yet, perhaps it is what I had to do. I could have kept my pride and held aloof, but that would not have helped our people. And it is for them that I was placed in this office. [applause]

Someone who will do better may stand in this place next year, for I believe in the inexhaustible giftedness of the Filipino people. I only hope that he will be someone who will sincerely mean you well. [applause] I hope that history would judge me as favorably as our people still regard me, because as God is my witness, I honestly did the best I could. No more can be asked of any man. [applause] On 30 June 1992, the traditional ceremony of political succession will unfold at the Luneta. The last time it was done that way was in 1965. I shall be there with you to proudly witness the event. This is the glory of democracy, that its most solemn moment should be the peaceful transfer of power. [applause]

Thank you very much to all of you, and good-bye.

Drilon To Pursue Peace Talks With Rebels

HK2207100191 Manila PHILIPPINE DAILY INQUIRER in English 20 Jul 91 p 1, 10

[Text] Executive Secretary Franklin Drilon said yesterday the government will pursue peace talks with communist rebels, especially in areas ravaged by the continued eruption of Mount Pinatubo in Zambales.

But Drilon said he has relinquished his post as chairman of the government peace panel exploring the possibility of forging a nationwide ceasefire with communist guerillas.

"There is no decision yet on who my replacement will be," Drilon said.

However, the newly appointed executive secretary said the government panel head will be decided by the members of the Cabinet committee on national security and political affairs in a meeting next week.

Sources told the INQUIRER that the government panel may be headed either by Peace Commissioner and Health Secretary Alfredo Bengzon or acting Justice Secretary Silvestre Bello III.

Drilon had reconvened members of the "Peace Process Committee," a multi-sectoral group of government, military and cause-oriented leaders which had been trying to hammer out a ceasefire agreement with communist rebels since last year.

The communist-led National Democratic Front [NDF] offered to resume dialogs with government leaders last month after Pinatubo's eruption, but Drilon ruled out a nationwide face-to-face dialog with NDF leaders.

Drilon said the government is instead pursuing the possibility of coming up with provincial "zones of peace" with communist rebels, with the provinces badly damaged by the eruption—Zambales, Tarlac, Pampana and Bataan—as priority areas.

However, Drilon's appointment as executive secretary last July 13 has stalled the new peace dialogs.

Government Cuts 1991 Spending by 7 Billion Pesos

HK1907132091 Manila THE CHRONICLE in English 19 Jul 91 p 1

[By Rene de los Reyes]

[Text] The government has decided to trim its expenditure program for 1991 by about P[Philippine peso]7 billion to give the government some leeway in managing the financial rehabilitation of the National Power Corp. [NPC] for as long as Congress fails to pass additional tax measures.

Estanislao said the decision to cut spending from P257.4 billion to only P250 billion was arrived at in a meeting with president Aquino yesterday.

Failing to collect revenues expected from the proposed tax measures, the national government would be hard-pressed to cover the P7.5 billion cost of rehabilitating the state power firm.

The NPC has been financially incapacitated by the Supreme Court ruling preventing it from raising power rates.

It was counting on additional revenues from a 17-centavo increase in power rate to be imposed last February to support spending for operations and expansion.

Congressional leaders had assured finance department officials and the President it would speed up the approval of tax-refinement measures (but not new measures) that would raise about P22.5 billion.

The NPC needs the money to pay for the maturing debt to foreign creditors. The prospect of the power firm defaulting on those debts has prompted foreign multilateral creditors, such as the World Bank, to without further loans and grants to finance the construction and development of new power plants.

Estanislao has said he is more concerned in preventing an NPC collapse because it would set back the power development program and cause severe power shortage.

Congress has sounded out the Executive department that it has remained opposed to passing any new tax measures that could increase the tax burden on the poor.

An official of the Congressional Planning and Budget Office and lawmakers are opposed to increase the tax on lube oil from P4.50 to P14.50 because this would have raised P1.5 billion.

He said Congress is not also inclined to pass an excise tax of 20%, although this would raise another P1 billion, or further refinements in the value-added which would riase another P2 billion.

Congressional leaders have thus far signified they would work for the passage only of revenue-enhancement measures, such as an increase in the registration fee for car owners (particularly of luxury cars). This is expected to raise about P1.2 billion.

Another tax-enhancement measures are the productivity incentives for Bureau of Internal Revenue personnel and the computerization of revenue collection that would raise an additional P15 billion.

MNLF To Renew Bid for Membership in ICO

HK1907061291 Manila MANILA BULLETIN in English 19 Jul 91 p 8

[By Aris R. Ilagan]

[Text] The Moro National Liberation Front (MNLF) is again determined to seek membership in the Organization of Islamic Countries (OIC) [ICO] in its conference in the Middle East next month.

This was revealed yesterday by Sultan Panny Pangandaman, MNLF spokesman, who also said Nur Misuari, MNLF chairman, who is living in exile in Libya, has been travelling around the Middle East nations, particularly in Syria, Pakistan, and Egypt, seeking diplomatic support from influential leaders of Muslim states.

The OIC, which has 46 member-nations, conducted its 19th Islamic Conference of Ministers of Foreign Affairs last Aug. 1 in the Middle East where the secessionist problem in the Philippines was also discussed.

Dr. Hami Al-Ghabid, OIC secretary-general, raised the issue of the drafting of the establishment of the Autonomous Region for Muslim Mindanao (ARMM) which, the MNLF said, was done without its participation.

Al-Ghabid also told the OIC forum that the "Islamic countries cannot agree to such a measure (ARMM), which does not recognize the MNLF as an official representative of the Muslims in the Philippines and does not realize the legitimate aspirations of the Muslim people in that country."

The MNLF enjoys an "observer" status in the OIC.

Al-Ghabid said the OIC reaffirms its adherence to the provisions of the Tripoli Agreement and its determination to implement it.

Pangandaman said the MNLF is determined to pursue its efforts at pressuring the Aquino government to implement the 1976 Tripoli Agreement which will grant autonomy to 13 provinces and nine cities in Mindanao.

In 1986, President Aquino and Misuari agreed to implement a truce between MNLF rebels and military troops in Mindanao to end the secessionist rebellion in the south.

Three years later, the government conducted a plebiscite on the 13 provinces and nine cities of Mindanao which were also indicated in the Tripoli Agreement, but only four provinces approved the implementation of the ARMM when the MNLF campaigned for a boycott.

Thailand

Minister To Lobby in U.S. for Trade Talks

BK2007143591 Bangkok MATICHON in Thai 20 Jul 91 p 4

[Text] Commerce Minister Amaret Sila-on told reporters that he planned a trip to the United States to lobby for trade talks. He said he made several plans in case some of them might not be workable. He would have to find out first how to collect useful information. [As published]

Asked about a report that he was seeking help from Dr. Surakiat Sathianthai, a lecturer at the Law School of Chulalongkon University and a policy adviser to the former government, Amaret said that Surakiat had already been helping the ministry in trade negotiations, but no official appointment was planned for him.

According to a report, the commerce minister planned to visit the United States in late July or early August. He said that the timing of the visit would depend on how he could make appointments with leading U.S. figures with whom he would like to hold informal discussion and have personal contacts. This would facilitate trade negotiations at the official level in the future.

Among the leading U.S. officials whom Minister Amaret looked forward to meeting are: Clayton Yeutter, the leader of the Republican Party, the former leader of the Republican Party, the secretary of commerce, high-level officials at the U.S. Trade Representative's Office, and leading U.S. senators.

Relief Aid Presented for PRC Flood Victims

BK1907161791 Bangkok Army Television Channel 5 in Thai 1230 GMT 19 Jul 91

[Text] General Suchinda Khraprayun, army commander in chief and deputy chairman of the National Peace Keeping Council, presented relief goods to help Chinese flood victims. The presentation ceremony was held at the Great Hall of the People in Beijing, a place the PRC uses to receive very important persons. Cui Naifu, minister in charge of civil affairs, received the donation on behalf of the Chinese Government. Gen. Suchinda said that although the relief goods were only small in quantity, they were still indicative of the sympathy of the Thai Government and people. He hoped that the Chinese people, with their diligence, would be able to return their homeland to normal as soon as possible. The relief goods included medicine, dry food, and tents, weighing about 16 tons and worth about [figure indistinct] million baht.

[Begin recording] [Suchinda] The government approved a budget of 5 million baht for the assistance. I used 2.5 million baht from the government budget. Gen. Sunthon Khongsomphong will hand over another 2.5 million baht during his upcoming visit to China on 23 July. However, the value of these relief goods is more than 2.5 million baht because people have donated several million baht worth of goods. I believe that Gen. Sunthon will bring more donations from the private sector.

[Unidentified correspondent] Do you think that there will be [words indistinct] from the private sector?

[Suchinda] I think there will be more donations because there are large numbers of ethnic Chinese in Thailand. There are also many associations such as the Thai-Chinese Friendship Association. Of course the relief goods can be sent by air, which costs a lot. Each flight costs about 750,000 baht. [end recording]

Earlier, Gen. Suchinda Khraprayun and his delegation, including Army Chief of Staff Gen. Wirot Saengsanit and other senior officers, laid a wreath at the Monument to the People's Heroes in front of Tiananmen Square in Beijing.

Regarding the leaders of the four Khmer factions agreeing to name Prince Norodom Sihanouk as chairman of the Supreme National Council [SNC] during their three-day meeting in Beijing, PRC, Gen. Suchinda said during his official visit to China that it was a good thing and would facilitate the peace process.

[Begin recording] [Unidentified correspondent] What is your opinion on Prince Sihanouk becoming SNC chairman?

[Suchinda] This is good because it is what we have wanted for a long time. They were unable to agree on this earlier because they had a problem over the appointments of the SNC deputy chairman and secretary. Now they have agreed to appoint Prince Sihanouk as the chairman only. So, this will also make the work in the future easier because they now have a chairman.

[Correspondent] It means that Prince Sihanouk will be the president by virtue of position if a government is set up?

[Suchinda] I think so because all sides, even the big countries, are of the opinion that the Cambodian leader who will be acceptable to all parties is Prince Sihanouk.

[Correspondent] The Khmer factions will meet in Thailand again at the end of this month. Do you think that this meeting will succeed?

[Suchinda] You mean at the end of this month? I think that the meeting will be held early next month at the Central Plaza Hotel. I think that success cannot be achieved at only one meeting. Many meetings will be needed and each meeting will make achievements at a certain level. There will definitely be success because progress has continued step by step. But, we do not know how many steps are still needed to achieve the goal. [end recording]

Agreement Reached With USSR To Boost Ties

BK2107033491 Bangkok BANGKOK POST in English 21 Jul 91 pp 1, 3

[Excerpt] Thailand and the Soviet Union have agreed to start work on setting up a permanent mechanism to boost economic and political relations and cooperation, Foreign Ministry spokesman Sakthip Krairoek said yesterday.

The decision came during a meeting between Foreign Minister Asa Sarasin and Soviet Deputy Prime Minister Yuriy Maslyukov yesterday. The agreement is significant because while both countries have diplomatic and trade ties, formal cooperation has been limited to technical and scientific fields.

There is no formalised mechanism or organisation between the two countries with a main role being to handle cooperation or problems in political or economic areas.

During the meeting, Mr Asa proposed that Thailand and the Soviet Union start work on forming a joint commission at ministerial level to handle future economic and political cooperation.

Thailand has established such commissions with China, Malaysia and most recently, Laos. The formation of a commission with Indonesia is expected soon. Details of a final draft for a joint commission between Thailand and Vietnam are being polished up and the document is expected to be signed when Mr Asa visits Vietnam in August.

Mr Asa proposed that the Thai-Soviet Joint Commission be chaired by the deputy foreign ministers of both countries, Mr Sakthip said.

Mr Maslyukov told Mr Asa, however, that the Soviet Union has never established such a mechanism of cooperation with any other country. He explained that the Soviet Union usually established a cooperation comittee chaired by the deputy prime ministers of both countries. This committee would set up two working groups, one handling political cooperation and the other economic affairs. Both working groups would be headed by a senior official but not a minister.

While both countries have differnt structures of cooperation, which raise questions of protocol, Mr Asa and Mr Maslyukov agreed there should be some official mechanism to boost coperation.

They also agreed further consultations are needed to work out a merger of the mechanisms adopted by each country, Mr Sakthip said.

The ministers discussed the Cambodian conflict and agreed to work harder for further progress. [passage omitted]

SRV Envoy Says Living U.S. MIA's Unlikely

BK1907122891 Hong Kong AFP in English 1213 GMT 19 Jul 91

[Text] Bangkok, July 19 (AFP)—Vietnam's Ambassador to Thailand said Friday he had no idea whether a recently released photograph purporting to show three U.S. servicemen missing in action during the Vietnam war (MIAs) was authentic.

He reiterated, however, his government's stated policy that Vietnam is holding no missing American servicemen.

"I can't imagine that there are any Americans (missing in action) alive in Vietnam," Ambassador Nguyen Trung said.

The photograph showing three male caucasians turned up in one of the Cambodian refugee camps inside Thailand before being sent to the United States, according to well-informed sources here.

Mr. Trung expressed sympathy for the families of missing servicemen and said that many Vietnamese servicemen are also still missing.

"Even now in Vietnam we still have thousands of missing people. Every day their families ask for assistance in finding them," he said.

"We understand the pain, the burden which these people in the U.S. (families of MIAs) have to suffer," he added.

The ambassador said Vietnam considered the MIA issue a humanitarian problem and his country had done its best to cooperate with the United States in solving it. "If there is any new information we investigate it," he said.

He added that investigation teams had travelled throughout Vietnam but have found no evidence of any living MIAs.

According to the U.S. Government, 2,273 U.S. servicemen are officially missing, 1,656 in Vietnam, 528 in Laos, 83 in Cambodia, and six in Chinese territorial waters.

SRV Ambassador 'Welcomes' SNC Accreditation

BK2007024791 Bangkok BANGKOK POST in English 20 Jul 91 p 2

[Text] Vietnam, in an apparent response to ASEAN foreign ministers' call for international support and recognition of the Cambodian Supreme National Council [SNC], says it "welcomes" the accreditation of diplomats to the body.

Vietnamese Ambassador to Thailand Nguyen Trung said yesterday, however, that Hanoi has not yet considered the issue of accreditation to the SNC, which is now headed by Prince Norodom Sihanouk.

During the first SNC meeting in Phatthaya the Cambodians agreed to make the prince the "convener" of SNC meetings, skirting the issue of chairman and vice-chairman of the council—a previous obstacle to progress in pace talks.

But at the recent informal meeting of the SNC in Peking, the Cambodians agreed to make the prince chairman of the SNC and head of its delegation to the United Nations.

The ASEAN ministers yesterday said Prince Sihanouk's decision to join the peace talks in Phatthaya had "generated a momentum in advancing the peace process towards a comprehensive settlement."

The ministers said they were encouraged by "further progress" at the informal meeting in Peking, particularly the "unanimous election" of Prince Sihanouk as SNC president.

The Cambodians were urged "to intensify efforts to seek a compromise among themselves to resolve issues left outstanding.

"At this crucial stage it is important that all efforts be made to ensure that the momentum of the peace process be maintained," the ministers said.

"It is necessary to take cognisance of the SNC, as it is now constituted and functioning, and to extend the required international support.

"Towards this end, the foreign ministers decided that all ASEAN countries would respond positively to the SNC's invitation to accredit representatives to the SNC."

Ambassador Nguyen Trung, speaking after the release of the ministers' statement on Cambodia, said he believes that accreditation of diplomats to the SNC is likely to increase the prestige and effectiveness of the SNC as the supreme body representing the sovereignty of Cambodia.

While welcoming this move, the ambassador said that there could be "problems of practice" as regards accreditation.

The ambassador also reiterated his country's call for the countries of Vietnam, Laos and Thailand to stop the flow of arms to the warring Cambodian factions.

Outgoing Vietnamese Foreign Minister Nguyen Co Thach had suggested this during his recent visit to Thailand.

Ambassador Trung said Vietnam agrees with international monitoring of the cessation of arms supplies. He said Mr Thach's suggestion did not prompt any response, adding that there is a "need to stop the arms in order to bolster the peace process."

He said that Thailand, Laos and Vietnam could decide to stop the flow of arms unilaterally or collectively.

"I think we are in a very good situation," the ambassador said, referring to the progress made at the last two peace meetings.

"The situation has developed so fast, we could not imagine this before. In Phatthaya we did not think the Cambodians could agree on so many problems," he said.

The ambassador said Vietnam welcomes the contributions of China in the peace process. He said at both the Phatthaya and Peking meetings, there is "clear evidence that many countries contributed a lot and you cannot underestimate the role of Thailand."

He said the role of the host country, China, also contributed to the success of the Peking meeting.

Asked about prospects of the next SNC meeting scheduled for August 26 to 28 in Bangkok, Ambassador Trung said there is still a need to be realistic.

"The SNC has already made enormous progress but there are still so many things to be done. The SNC needs to discuss more details, they still need to do much more work."

The Cambodians have yet to agree on the most crucial issue, the role of the United Nations in monitoring and implementing the ceasefire and cessation of arms supplies and the elections.

The ambassador said, however, that after the first step, the second step could be easier.

ASEAN, grouping Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, called for international support for the SNC and expressed hope for an early reconvening of the Paris International Peace Conference on Cambodia.

The SNC groups Phnom Penh with the three resistance parties.

It will set up headquarters in Phnom Penh later this year and take up Cambodia's United Nations seat.

ASEAN has been a principal backer of the resistance in the past.

265 Vietnamese To Be Repatriated 22, 29 Jul

BK2007070291 Bangkok Radio Thailand Network in Thai 0530 GMT 20 Jul 91

[Text] Sub Lieutenant Kitti Prathumkaeo, inspector cum spokesman of the Interior Ministry, disclosed today that the ministry has received information from the International Committee for Migration in Thailand that the SRV Government has approved the voluntary repatriation of a total of 265 Vietnamese who illegally entered Thailand and are being held in the Phanat Nikhom refugee camp in Phanat Nikhom District, Chon Buri Province.

They are scheduled to leave Thailand for Ho Chi Minh City in two flights. The first flight carrying 134 illegal Vietnamese immigrants will leave Don Muang Airport at 1000 on 22 July 1991, while the second flight with 131 Vietnamese at 1000 on 29 July 1991. The Interior Ministry has already approved the repatriation.

Talks With Laos on Smuggling, Drugs, Poaching

BK2107074891 Bangkok BANGKOK POST in English 21 Jul 91 p 4

[Text] Loei—Delegations from Thailand and Laos held an informal meeting in Chiang Khan District yesterday in a bid to resolve three outstanding problems.

The Thai delegation was led by Interior Minister Itsaraphong Nunphakdi and comprising several senior military and civil officials, including Second Army Region commander Lt-Gen Phaibun Hongsinlak, Third Army Region commander Lt-Gen Phairot Chan-urai, Thai Ambassador to Vientiane Nikhom Tantoemsap, Niwat Pibul, deputy permanent secretary of Interior, and governors from 10 northeastern provinces.

The Laotian delegation was headed by Deputy Interior Minister Siangsom Kunlavong.

Informed sources said the two sides discussed three problems: contraband smuggling, narcotics and wildlife poaching.

Gen Itsaraphong told reporters that the informal meeting was initiated by Thai and Laotian governors in provinces bordering the Mekong River.

"We invited them (the Laotians) for lunch and a talk. It is nothing serious, but we simply want to make things easier and more convenient for people living on both sides of the Mekong River," said Gen Itsaraphong.

Laotian Deputy Interior Minister Siangsom, meanwhile, said the informal meeting would pave the way for more meetings in the future.

"If we can talk with each other about any problem—if indeed any problem does exist—then it can be resolved with understanding," he said.

Inquiry Ordered After Acquittal of Saudi Suspect

BK2207015191 Bangkok THE NATION in English 22 Jul 91 p 2

[Text] Deputy Prime Minister Pow Sarasin has ordered an investigation into why police did not have enough evidence to back up their charges against a suspect arrested in connection with the murder of three Saudi embassy officials last year, sources said.

The Criminal Court on Friday acquitted Suchat Halabi, 26, a Sunni Muslim from Pattani province, who was arrested in March last year.

Suchat was charged with being an accomplice in the murder of the Saudis who were gunned down in two separate attacks on Feb 1 last year.

Suchat cried foul over his arrest, alleging that police tried to make him a scapegoat to reduce the Saudi government's pressure on Thai police.

The court ruled that police did not have enough evidence against Suchat.

Sources said Pow had summoned Police Director General Sawat Amonwiwat and asked him why police passed Suchat's case to public prosecutors without having enough evidence.

Interior Minister Itsaraphong Nunphakdi yesterday declined to say whether the police team that pressed the charges against Suchat would be investigated.

He only said police had to reinvestigate the case now that the only suspect was acquitted.

"Now that the court has acquitted the suspect, police will have to keep on working until the real culprits," [as published] he said.

BCCI Subsidiary Faces Lawsuit Over Loan

BK2007035391 Bangkok THE NATION in English 20 Jul 91 p B1

[Text] Al-kemal Builders Ltd yesterday took BCC [Bank of Credit and Commerce] Finance and Securities Co. and four other companies, including Siam Commercial Bank, to court in a bid to demand a [baht] Bt2-billion compensation because the defendants were alleged to have broken a loan collateral contract.

The plaintiff told the court BCC Finance, in which the troubled Bank of Credit and Commerce International (BCCI) controls a 10 per cent stake, had violated the loan collateral contract by taking over a multimillion-baht land plot owned by Al-kemal Builders.

The episode, according to Al-kemal Builders, began in 1984 when the plaintiff used its 15-rai plot on Sathorn Road as collateral for a Bt61-million loan owed to BCC Finance. The mortage was, however, secondary because the same plot of land was earlier used as collateral for another loan owed to Bank of Asia.

In 1985, Bank of Asia demanded the payback of Bt141 million loan or the bank would otherwise foreclose the property. This demand prompted Al-kemal Builders to seek help from BCC Finance and both sides agreed to form a company to "buy" the property from Al-kemal in an arrangement to bail out the first mortgage from Bank of Asia.

The "buying" company, Sathorn Park Co, became the "artificial owner" of the property with an agreement between Al-kemal and BCC Fiannce that the property woud serve as collatral in the bailout of Bank of Asia loan and as well as collateral in BCC Finance's lendings to Al-kemal.

Sathon Park, the artificial owner and an affiliate of BCC Finance, entered into the agreement in which it purchased the property at a price of Bt288 million, the amount which Al-kemal said was the sum of its debts plus interests. Both sides agreed that the sale was not "real" and that Sathorn Park would not transfer the property ownership to other parties or create obligations in association with the property.

Al-kemal said it also retained the right to sell or buy back the property at a minimum price of Bt288 million or it will be liable for the amount short of Bt288 million. However, the plaintiff said it was refused that right by Sathon Park, which then registered the property as collateral for loans from American International Assurance and Siam Commerical Bank.

The two institutions, BCC Finance, and two of its affiliates then cleared the site in preparation to build a 425-room hotel. In the process, two Al-kemal-owned mansions worth Bt21 million were torn down. On June 28 this year, Al-kemal told Sathorn Park and BCC Fianance in writing that it wanted to buy back the property but the two refused.

In its lawsuit accepted by the court yesterday, Al-kemal claimed that it had not intented to sell the property under the agreement signed with Sathon Park. The agreement was to turn the property into loan collateral. In addition, Al-kemal said Sathon Park and BCC Finance had no legal right to mortgage the property and create obligations.

Al-kemal asked the court to order the defendants to transfer the property ownership back to Al-kemal and to order American International and Siam Commercial Bank to delist the property as collateral. It also wanted the defendants to stop building work and tear down what has been built, and compensate with a payment of Bt2.57 billion.

BCC To File Countersuit

BK2207023391 Bangkok BANGKOK POST in English 22 Jul 91 p 17

[Text] BCC [Bank of Credit and Commerce] Finance and Securities Ltd may file a counter-suit against Al-Kemal Thailand and its directors, including Kamon Mohamed, for recovery of approximately 10 million baht allegedly owed to the company by Al-Kemal.

BCC Finance and Securities Ltd director Chamnan Sucharitkun said at the weekend that his company was considering filing a lawsuit after his company, along with Sathon Park Co, American International Assurance, Siam Commercial Bank and Sathorn Square Co, was sued in the Civil Court by Al-Kemal Builders and Mr Kamon for approximately 2,500 million baht for allegedly breaching an agreement on a land deal.

"The directors and management of BCC Finance and Securities Ltd wish to categorically state that we are totally unaware of the alleged breach of agreement, and are waiting for details of the suit from the relevant court authorities," he said.

However, he said, the company's directors and management were aware that Bank of Credit and Commerce International's [BCCI] Manila branch had filed a suit against Al-Kemal and its directors for recovery of approximately 250 million baht. Proceedings in this case had been ongoing for quite some time in the Civil Court of Bangkok, he said.

BCC Finance and Securities Ltd was affiliated to the BCCI. BCCI had a 20 percent stake, indirectly in BCC Finance and Securities Ltd.

Al-Kemal Builders Ltd last Friday filed a lawsuit against BCC Finance and Securities Ltd and some other defendants. Al-Kemal said it owed about 288 million baht to BCC Finance and Securities Ltd and had placed three plots of land as collateral against the loans. Al-Kemal also owed the Bank of Asia.

The finance company and Al-Kemal Builders later agreed that BCC Finance and Securities Ltd should set up Sathorn Park Co to help settle Al-Kemal Builders' debt to the Bank of Asia and the ownerships of the three plots of land was transferred to the new company on condition they would be returned if Al-Kemal could sell them.

Al-Kemal told the court that Sathorn Park Co and BCC Finance and Securities Ltd breached the agreement by refusing to return the three plots of land to it.

Bid To Buy Subsidiary Unlikely To Succeed

BK2007041191 Bangkok THE NATION in English 20 Jul 91 p B8

[Text] The attempt by a group of Thai shareholders to takeover the remaining shares of BCC [Bank of Credit and Commerce] Finance and Securities Co is not likely to materialize because the 10 percent stake, which Bank for Credit and Commerce International [BCCI] has in the Thai affiliate, has been frozen.

Talks have begun as Thai shareholders in BCC Finance and Securities want to takeover the remaining 35 percent stake which they do not have in the company.

The parent company, BCCI, based in Luxembourg, has been closed down and preliminary liquidation has started. All the bank's assets have been frozen.

Central Bank Governor Ekamon Khiriwat said yesterday that there was no conclusion to the takeover talks because BCCI's stake in BCC Finance and Securities had been frozen. But it would not affect the operation of the Thai subsidiary.

He said the Thai finance company appears to have sufficient liquidity. It would not face a huge cash withdrawal as most of the deposits belong to major Thai shareholders.

Among the major shareholders of BCC Finance and Securities are a group of investors led by Surin Osathanukhro, who is reportedly interested in assuming control of the firm.

Chusi Daengpraphai, director of the central bank's Department of Supervision and Examination of Financial Institutes, said the Thai affiliate of BCCI has done well during the past week to stay afloat despite the negative news concerning BCCI.

She said the firm has taken a cautious stand by holding liquid assets. "Although in the eyes of the central bank it was not entirely correct (to hold excessive liquid assets) but the firm has prepared itself well and in accordance with the present environment," the official said.

BCC Finance and Securities at the end of last year reported assets of Bt2.1 billion with a net profit of Bt4.9 million. Its assets shrunk to Bt2 billion by the end of May because of inactive operation. Its assets began to decline due to cash withdrawals following the outbreak of the scandal over BCCI.

BCC Finance and Securities stayed liquid by calling back call loans from customers.

Chusi said the firm is fully capable of taking responsibility for all the deposits. It will not be penalized for holding less than the minimum 7 percent liquid assets in relation to the deposits. She also said the central bank could also act as a lender for the firm as a last resort.

She said the firm cannot sell assets to raise cash to support BCCI as it does not have a foreign exchange licence. The official said the central bank supports the sale of BCCI's shares in the firm since it would solve the problem immediately.

Vietnam

Foreign Ministry Sends Letter on MIA Photo

BK2007085691 Hong Kong AFP in English 0800 GMT 20 Jul 91

[Text] Hanoi, July 20 (AFP)—Vietnam sent Washington a letter Saturday disputing the authenticity of a recently published photograph of three U.S. servicemen missing since the Vietnam war (MIAs) and offering to help clear up the issue.

According to a copy of the official letter obtained by AFP, the Foreign Ministry said that in April 1990 Vietnam handed back the remains of Lieutenant John L. Robertson whose plane crashed on September 16, 1966, in the northern province of Hai Hung.

The other two pilots depicted, Albro Lynn Lundy and Larry James Stevens whose planes were downed in Laos in 1966 and 1969, are on the list of U.S. servicemen killed in combat included in the MIA file given to Vietnam by the United States, it said.

The ministry also said Vietnam was concerned by the recent publication of the photograph in the United States and was ready "to cooperate with the United States to clear up (this) problem."

The note reaffirmed that "all U.S. prisoners held during the Vietnam war were handed back to the U.S. Government following the Paris accords on Vietnam."

According to U.S. sources, the three men, shown holding up a white sign saying "25-5-90," have been identified by their families.

"The results of the ninth Vietnam-U.S. inquiry (February-March 1990) show that Robertson died when his plane crashed," the note said.

"Vietnamese experts have recovered some of his bones from the ditch where the plane landed and they were returned to the United States on April 10," it said, adding that the "so-called information that Robertson is still alive is without basis."

The U.S. Government has said its experts could not identify the remains handed over by Vietnam.

Washington has for several years been conducting searches here with the cooperation of authorities to recover the remains of MIAs for identification.

"John Leightson Robertson and Hubert F. Buchanan were pilots of the F4C which crashed. Buchanan survived, (was) arrested (then) handed over to the United States after the Paris Accords" of 1973 allowing for the return of prisoners, the note said.

"J. Robertson was considered a priority case by the United States and Vietnam cooperated fully with the United States in looking for him," it said.

In the letter, Vietnam asked the United States to take steps to encourage those responsible for the photograph's appearance to cooperate with both governments in resolving the issue.

"If they refuse to cooperate and if inquiries show that the photograph was created for financial gain, those people ought to be punished and criticised for having prolonged the unhappiness of the MIAs' families," it concluded.

The U.S. Government has said it could not confirm the photograph's authenticity.

The United States has in the past offered large rewards for proof of MIAs in Indochina, but has had no response until now.

Further on Note

BK2007150691 Hanoi VNA in English 1429 GMT 20 Jul 91

["Foreign Ministry's Note on Photo of Three American Pilots"—VNA headline]

[Text] Hanoi VNA July 20—Vietnam's Foreign Ministry today sent a note to the U.S. side on recent American news reports on a picture of three American pilots reportedly missing in action in the Indochina War, and on the remark of the person who supplied that picture that the three pilots might be still alive. The note reads:

1. Vietnam expresses its concern over the news about a picture of three Americans, the origin of which is not yet known.

2. Vietnam deems it necessary to call the United States' attention to the following facts:

- According to the records the U.S. handed over to Vietnam, Albro Lynn Lundy and Larry James Stevens were American pilots shot down in Laos respectively in 1966 and 1969 and listed as killed in action (KIA).

- John Leightson Robertson was the pilot who together with Hubert F. Buchanan flew an F4C that was shot down in Hai Hung Province (North Vietnam) on 16 September, 1966. Buchanan survived, was captured, and turned over to the U.S. side after the Paris Agreement. J. Robertson was listed by the U.S. as one of the priority cases and was given active cooperation in the investigation by Vietnam. The results of the 9th joint U.S.-Vietnam investgation (16 February-6 March 1990) showed that Robertson was blown into pieces while his aircraft was failing down. Vietnamese specialists recovered some pieces of his remains from the crash site and handed them over to the U.S. side on April 10, 1990. So the news that Robertson is still alive has no foundation.

3. Vietnam affirms that all U.S. prisoners of war captured during the Vietnam War were turned over to the U.S. Government after the Paris Agreement on Vietnam. Vietnam shares the cautious attitude expressed by the special emissary of the U.S. President, General John W. Vessey, the State Department and the Defence Department when dealing with the information regarding that picture. Vietnam is prepared to cooperate with the U.S. to clarify the matter concerning the picture. Vietnam would like to request the U.S. Government to take measures to ask those who produced the picture to cooperate with the Vietnamese government and the U.S. Government in solving this case. If they refuse to cooperate and the investigation shows that the picture was fabricated for money making purposes, they must be punished and condemned for deliberately prolonging the sufferings of the MIA families.

Search for MIA's Underway With U.S. Experts

BK2007102191 Hanoi Voice of Vietnam in English 1000 GMT 20 Jul 91

[Text] A joint MIA search, the 14th so far, is being conducted in Quang Nam-Danang, Quang Binh, Hue, Hanoi, and other northern and central areas with the participation of 25 American experts. The search will last until 10 August. Vietnam in 34 times has already returned to the United States the remains 452 Americans.

Article Views POW Issue, Effect on U.S. Ties

BK2007072091 Hong Kong AFP in English 0642 GMT 20 Jul 91

[By Jean-Claude Chapon]

[Text] Hanoi, July 20 (AFP)—The recent publication of a photograph of three U.S. pilots missing since the Vietnam War threatens to revive animosity over an issue that has blocked the resumption of ties between Hanoi and Washington for more than 15 years.

Washington is insisting on a solution to the problem of U.S. servicemen missing in action (MIA) since the Vietnam War as a precondition to the normalisation of bilateral relations, which have been nonexistant since the war ended in 1975.

The prisoner of war (POW) issue is re-emerging as Washington's other main prerequisite for normalisation—the settlement of the Cambodian conflict—has made surprising progress in recent weeks with the warring factions reaching agreements that pave the way for peace.

The U.S. Government has not confirmed the authenticity of the photograph, which could have been taken in 1990 and shows three men identified by their families as pilots shot down over Indochina in 1966, 1969 and 1970.

The Vietnamese Government reaffirmed Thursday that it was not holding any U.S. prisoners of war and offered to cooperate fully over the MIA and POW issues.

According to the Pentagon, a total of 2,273 U.S. servicemen disappeared in Indochina, some 1,656 of them in Vietnam, 528 in Laos, 83 in Cambodia and six in Chinese territorial waters.

Hanoi has insisted it handed back all U.S. prisoners, but has suggested some deserters may be living in remote, inaccessible regions.

Cambodia has made similar declarations, which are credible in that U.S. prisoners would have been unlikely to survive the xenophobic, fanatical Khmer Rouge regime that governed the country from 1975 to early 1979.

In 1982, Laos raised the possibility that some of the servicemen were still being held in zones outside the central government's control.

Vietnam said Saturday that one of the servicemen depicted, Colonel John L. Robertson, was dead and that his remains had been handed back. The Pentagon stressed however that experts could not identify the remains.

If the photograph proves to be authentic, it would be the first piece of tangible evidence that U.S. servicemen may still be being held Vietnam.

Most Western diplomats here were sceptical however.

"It doesn't make sense to detain prisoners secretly," one Western diplomat said. "One only holds prisoners deliberately to exchange them later for something else."

Another Western diplomat suggested the Vietnamese had kept those prisoners whose physical or mental condition was so bad that they were not presentable.

"But in that case it is difficult to imagine that they would have survived this long," he said.

The diplomats said that if Vietnam had held onto U.S. prisoners, it should have to pay an exorbitant penalty.

"That would cast doubt on Hanoi policy in recent years of normalising relations with the United States to obtain the lifting of the economic embargo imposed by Washington since the end of the war," one diplomat said.

"The U.S. reaction would be very negative, but so would that from other Western countries," one diplomat from Western Europe said, adding that this would be a major setback to the country's economic development.

Vietnam, currently facing a grave economic crisis as Soviet aid is cut back, is seeking aid from the West and international financial organisations, which has long been blocked by the U.S. economic embargo.

The MIA issue must be treated as a humanitarian question, the Vietnamese Government has always maintained, stressing that it is sensitive to the feelings of the servicemen's families.

By contrast, the Vietnamese people appear indifferent. "The French too have their MIAs, we have ours and one isn't making a big issue of them," people often respond when questioned on the subject.

The Vietnamese often dismiss MIA investigations as, at best, a waste of time and, at worst, a pretext promoted by anti-Vietnamesee defectors in the United States to slow normalisation.

Diplomats Comment on Photo of U.S. MIA's

BK2007115691 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 20 Jul 91

[Text] In view of the deep concern of U.S. opinion over the appearance of a mysterious photo showing that three American soldiers previously considered as missing in action during the war are still alive in Indochina, over the past few days Vietnamese diplomatic representatives at the United Nations met with and answered questions from American mass media, reiterating our government's viewpoint on this issue.

In their meetings with correspondents of ABC, CBS, NBC, Visnews Television, and USA TODAY, Ambassador Trinh Xuan Lang, head of our representation to the United Nations, and his deputy, Ambassador Nguyen Can, reaffirmed that as previously stated, time and again by the Vietnamese government, there are no prisoners of war still detained in Vietnam. However, our representatives also said: In face of the appearance of such information, the Vietnamese side is prepared to cooperate in order to conduct further investigation and examination. Concerning the case of the pilot, Colonel Robertson, who was shot down in North Vietnam in September 1966 and was shown in the photo, our representatives pointed out: Robertson died after his plane crashed and his remains were handed over to the United States in April 1990.

Over the past few days, the press has expressed keen interest in the photo and in the possibility of American soldiers still living in Vietnam, Laos, or Cambodia. However, several commentators, including some members of U.S. political circles, have expressed skepticism over the authenticity of the photo, saying it may be a fake released to make money and incite public opinion at a time when the U.S. administration itself has affirmed that no American MIA's are still alive in Vietnam.

According to some sources, the U.S. Department of Defense Intelligence Agency has good reason to believe that at least two of the three persons shown in the photo are dead. A pilot was seen falling from his plane with his parachute unopen, and the other was observed by his comrades as having died after his plane was shot down.

Vo Van Kiet Receives World Bank Economists

BK2007151391 Hanoi VNA in English 1443 GMT 20 Jul 91

[Text] Hanoi VNA July 20—The First Vice Chairman of the Council of Ministers Vo Van Kiet, received here Friday a group of economic specialists of the World Bank led by Mr. David Dollar.

Mr. David Dollar welcomed the results of Vietnam's economic renewal in the past two years, and made some recommendations of policies and measures to overcome the present difficulties to continue the renewal. He promised to recommend the leadership of the World Bank to give technical aid to Vietnam.

Vice Chairman Vo Van Kiet welcomed the visit and affirmed Vietnam's determination to continue the economic renewal.

USSR Continues Venture in Rubber Production

BK2107152391 Hanoi VNA in English 1427 GMT 21 Jul 91

[Text] Hanoi VNA July 21—The Soviet Union will continue providing Vietnam with a loan of USD [U.S. dollars] 5 million a year for the 1991-1995 period for tending 70,000 ha of rubber trees planted under the two countries' cooperation agreement over the past five years.

This came in an agreement reached recently between the Vietnam General Rubber Company and the USSR Rubber Production Union.

The two sides will continue to discuss the setting up of joint ventures on planting and processing rubber between different Vietnamese and Soviet rubber production establishments.

Vo Tran Chi's Speech at CPV Congress

BK2007110791 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 26 Jun 91 pp 1, 3

[Apparent text of speech by Vo Tran Chi, delegate from Ho Chi Minh City, at Seventh National CPV Congress held 24-27 June at Ba Dinh Conference Hall in Hanoi]

[Text] Members of the Presidium and foreign guests, distinguished guests of the congress, and comrade congress delegates: First of all, please allow me to convey the warmest greetings of the Ho Chi Minh City party organization and people to the congress and express our firm confidence in the seventh national party congress, which is a congress of wisdom, renovation, democracy, discipline, and solidarity.

The Ho Chi Minh City delegation unanimously agrees with the congress documents, namely the platform on national construction in the period of transition to socialism, the strategy of socioeconomic stabilization and development up to the year 2000, the sixth party Central Committee's political report assessing the implementation of the sixth party congress resolution and the orientations and tasks for the 1991-1995 five-year period, the report on party building, the amendments to the party statues, and the amended party statutes.

These documents reflect the creative application of Marxism-Leninism and Ho Chi Minh's thought to the real conditions of the revolution in our country and the very complicated changes in the world situation. These documents provide a theoretical basis and a solid factor for strengthening unity within the party, consolidating and broadening the solidarity bloc of patriotic forces, gaining the sympathy and support of our friends in the world, and combining our own strength with the strength of our times, thus creating new conditions for Vietnam to achieve stability, overcome difficulties and challenges, and advance along the socialist path chosen by Uncle Ho and our people. This is a great joy not only for the people and communist party of Vietnam but also for all those who have supported, assisted, and put their confidence in Vietnam.

Along with fraternal delegations, our delegation has conducted thorough studies and contributed opinions to the congress documents. Today, we would like to express our views on the following three issues:
- State capitalism and the cause of national construction during the period of transition to socialism.
- The roles of the various economic centers in the commodity economy.
- Some opinions about the need to revamp the party in accordance with Ho Chi Minh's thought.

Dear congress delegates, poverty and backwardness make it very difficult and complicated for our Vietnamese nation to advance to large-scale socialist production. For many years now, especially since the sixth party congress, our party has tried to seek a solution to that problem. However, that solution has not yet been reached. The platform and the socioeconomic development strategy of the seventh party congress have dealt with state capitalism. In our opinion, this is one of the major issues of special importance that we need to study and put into practice. Lenin and other veteran revolutionists have said: For socialism to exist, there must be not only political conditions, but also economic factors and modern technology based on the latest innovations of the scientific-technological revolution. Because of the backwardness of Russia at the beginning of the 20th century, Lenin maintained that the various forms of state capitalism could act as intermediaries for Russia to free itself from its poor socioeconic development. Unfortunately, during Lenin's lifetime, his thought was not fully implemented and henceforth, no high results were achieved.

Our country has not yet passed the capitalist development stage. Therefore, once it has gained power, the working class must develop the productive forces and carry out national industrialization in the direction of modernization, and must build material and technical bases to advance to large-scale socialist production. An advanced political regime must first of all create conditions for attracting, exploiting, and most effectively developing the think tank, labor force, capital, and modern technology in order to drastically increase the size of the productive forces.

Since the sixth party congress, applying Marx's concepts and Ho Chi Minh's thought to today's world, we have implemented state capitalism in different forms. By general definition, the state capitalist economic system comprises all economic organizations that are established and operate on the basis of cooperation, joint venture, and co-investment between capitalist sectors inside or outside the country with the state or state-run establishments. In a broad sense, the state capitalist economic system includes privately-owned capitalist economic establishments inside and outside the country that operate under state management and state law.

Based on that broad sense, the state capitalist system that we are implementing will create conditions for us to effectively exploit great national potential in terms of manpower and natural resources, quickly acquire advanced science and technology, promptly integrate our economy into the world economy, and create the premises for implementing socialism that the party and Uncle Ho have chosen for the Vietnamese revolution based on the party's new platform. State capitalism is also an effective instrument for coping with the permanent dangers posed by two forces against a country which has just restored national independence and is advancing to socialism from a very low starting point. They are, first, the capitalist force that has tried by all means to avenge, control, and manipulate to overthrow the state of the working class and, second, the important force of a small-scale commodity economy that has constantly inclined toward spontaneous development leading to capitalism at a time when the economy still remains scattered and underdeveloped.

So, state capitalism to us is not only an intermediary stepping stone, but also the most effective procedure aimed at developing production forces, carrying out industrialization and modernization, and shifting the pre-capitalist relations to socialism. This is one of our major policies aimed at building and advancing our country to large-scale socialist production.

We of course understand that foreign capitalists have come and cooperated with us mainly for two reasons:

—Vietnam is a new ground. It has political stability and abundant and cheap labor which can give them profitable business. Vietnam's policies are open and the relations between the state and capitalists are guaranteed.

—The fierce competition for interests among international capitalist corporations have urged them to quickly set foot in Vietnam because their profits and future lie not only in Vietnam and other Indochinese countries, but also in Southeast Asia as a whole.

If we have policies and laws to ensure their legitimate benefits, the bourgeois at home and abroad will enthusiastically invest in our country and their investment is likely to increase every day. With their present scientific and technological standards, they certainly can make large profits, above-normal profits under the form of state capital according to the law on investment of our party and state. They must necessarily resort to scientific and technological renovation to make their products competitive in the world market. With such conditions, we will have more capability of accelerating our poor investment and technological development. The problem is that we must promptly train a contingent of cadres, intellectuals and workers who are sufficiently competent and resourceful to carry on the new things and who have enough political ability and business management experience that they would neither make mistakes nor be cheated by villains as recently happened in Ho Chi Minh City. This new contingent of cadres and workers must necessarily be patriotic and willing to develop the country and make it prosper, and to closely associate their individual and family interests with those of the country. At the present time and in Vietnam's development trend, we have many objective and favorable conditions for advancing to large-scale production even though we still have to cope with many obstacles and barriers such as the economic embargo, and anti-Vietnamese political maneuvers.

Implementing the renovation line of the sixth party congress resolution in the past few years, Ho Chi Minh City has displayed much effort to apply the aforementioned economic viewpoints. There have been more and more forms of joint state-private enterprises in which the state and private individuals do business together and share profits, many state enterprises with shareholdings under several forms of combined and intertwined ownership, and many areas of 100-percent foreign investment (although Lenin's concept of "concession" is not used). The state leases enterprises (or may lease land, resources and so forth). Series of projects for bilateral and multilateral cooperation between states and between the state and private enterprises at home and abroad are expanding. Although the initial results are still modest, they have indicated that the above-mentioned forms of state capital hold many prospects that should be studied, summarized, and developed. These results are all the more significant because they have been achieved at a time when Vietnam has been besieged economically by hostile forces throughout the past 16 years. In the era of booming technological revolution when production forces have been internationalized broadly, the interdependence between countries has become a reality and the conflicts between international capitalist corporations and between the economic blocs of the developing world have strained and limited the monopolistic control of an archimperialist as compared to the situation some decades ago. These are new objective and favorable conditions. The scale, rate, and consequence of state capitalism will be very great if we know how to draw upon timely experience and exploit and combine uniformly the objective and favorable conditions with our correct subjective renovation efforts.

The development of a market economy, especially the opening of our doors to do business with foreign countries will inevitably lead to some negative aspects alongside positive ones. The negative aspects might develop into risks if we are not vigilant and fail to keep our initiative. We think that in practical life, there is a price to pay for any achievement. We have gone through the beginning stage full of shortcomings due to immaturity and full of ordeals but we have stood firmly. Experiences in both real success and failure over the past few years have taught us well. Our party is a competent political party. The viewpoint and stand of our contingent of cadres is being forged. The level of our cadres' knowledge and management ability is being raised. With such positive factors, we are fully convinced that we can overcome ordeals and can advance.

As yet, the volume of foreign investment in Ho Chi Minh City has amounted to approximately US$500 million. This is an encouraging sign. However, we must admit that the scales of investment and projects of some licensed sectors are still very modest. In the coming days, in light of the platform and the economic strategy together with the system of correct viewpoints of the seventh party congress resolution, we will strive to perfect the system of policies and laws, for then the various forms of state capital will certainly develop on an ever larger scale in a diversified and fruitful manner, not only in Ho Chi Minh City but also countrywide, thus making effective contributions to economic development along the socialist line.

Dear congress delegates: The seventh party congress has stressed the concept of "developing the multisectorial commodity economy according to the market mechanism and under state management." This is an issue of paramount importance for the current renovation line. However, there is still another issue of equal importance. By this, we mean the need to realize the connection between the commodity economy and key economic sectors as well as the two probable contradictory aspects of the commodity economy itself.

Looking back at history, we see that in the course of the formation and development of the commodity economy in Vietnam, many economic centers emerged, including former Saigon, now Ho Chi Minh City. These are economic commodity centers of the country. The formation of these centers is associated with geographical, natural, and historical conditions. At the same time, the integration and growth of these centers also depend on the constant development of production and circulation. Each economic center has its own strengths. However, only when those strengths are linked with and integrated into the strengths of other economic centers, can they develop their effect. If the economy in the mountain region is not linked with that in the lowland area, and if the national economy is not linked with the world economy, those economies will be unable to develop their strengths. The rate of economic growth depends on the pace of production, goods circulation, and consumption. Those economic strengths have a reciprocal effect, like a huge circulation system, and each step in the direction of progress and integration will create conditions for further development. The higher the speed of progress, the greater the scope of development and integration. It can be said that the rate of economic growth and the volume of social products depend to a large extent on the pace of progress based on that objective law.

Therefore, economic centers cannot develop by and for themselves, but must keep pace with the development of the commodity economy. Those centers are the converging point of different forms of economic development and combine the aggregate strengths of the various localities and sectors forming the commodity economy. They play a role in securing integration and development through production capabilities and effective goods circulation, demonstrated by objective results.

It is also worth noting that in addition to the state economy, other economic sectors can play that role depending on the scope and strength of their economic activities. In the past, Ho Chi Minh City used to be a self-sufficient economic center, rendered ineffective by the system of bureaucratic centralism and state subsidization. Following the sixth party congress and especially with the seventh party congress this time, we are equipped with a platform and a socioeconomic development strategy stressing the need to develop the multisectorial commodity economy according to the market mechanism and under state management. This has created conditions for Ho Chi Minh City to positively fulfill its active role. As part of the commodity economy, the various economic sectors in the city must constantly broaden their economic ventures and multifarious cooperation with other economic establishments at home and abroad on an efficient and mutually-beneficial basis. The goals to be achieved are as follows: To continually increase our economic growth rate and constantly broaden the scope of our economic cooperation.

Of course, the impact of the various economic sectors may not be always positive. The reason is because, as components of a multisectorial market-oriented economy, those economic sectors inevitably incline toward a fierce, spontaneous development. This is particularly true with our city's commodity economy, which is small in size but consists of many components. It is important for us to urgently apply different economic management mechanisms and capabilities, promptly draw from our experience, and use appropriate "economic leverages" aimed at effectively preventing and containing spontaneous negative phenomena that cannot be neglected.

First of all, the state macro-management must grasp the laws governing the operations of the multisectorial commodity economy and both the positive and negative aspects of the role played by its various centers to maintain the initiative in activities ranging from drawing up mechanisms and systems of policies, especially financial and monetary polices, to building the infrastructure. This is aimed at strongly arousing and promoting the economy's full potential. At the same time, we must remain cool-headed to make correct forecasts and promptly apply both educational and coercive measures to resolutely counter fraudulent maneuvers, smuggling, speculation...which are inevitable features of the spontaneity of the multisectoral market-oriented economic system. Practical experiences over the past few years have provided us with many vivid lessons. The results have been very encouraging, but the negative aspects also have on several occasions caused us a lot of trouble.

Respected Congress: The delegation of Ho Chi Minh City is highly unanimous with the sixth party Central Committee's assessment of the party's situation and party-building work that "the party has not attached due importance to party reorganization in accordance with President Ho Chi Minh's testament" and that "it is necessary to effect changes of revolutionary significance among party organizations and apparatuses at all levels."

Uncle Ho had this to say in his testament: "The first thing that needs to be carried out following the liberation is to revamp the party to enable each party member, each youth union member, and each cadre to do their utmost to fulfill the duties entrusted by the party and wholeheartedly serve the people. If we can do that, we will surely achieve success no matter how big and difficult our tasks may be. Uncle Ho's thought is very profound, but the words he used to express it are very simple. Therefore, we can gain a deep understanding of its underlying significance only if we devote time to ponder it carefully. The total victory of the national democratic revolution also meant that we have succeeded in building the party over the past few decades. Throughout this course, our party has gained much valuable experience and has matured. No one can deny that. However, when we embarked on the strategy of a new revolution—the socialist revolution, the most thoroughgoing and absolute revolution ever—all the experience already accumulated, no matter how rich it was, proved altogether insufficient and incapable of coping with the new requirements and problems posed by the revolution. This is because when a strategy is changed, all goals, objectives, lines, policies, organizations, and methods cannot be retained intact. The party's demands on its members in the new situation, and the trials of the new struggle—trials that party members did not face during the national democratic revolution—have caught not a small number of our party cadres and members off-guard since they lack ability in many areas. This is particularly true in the cases of clashes and encounters with material interests when most of our party members have earned their merit and authority and have come from the urban and rural petty bourgeoisie. As a result, it is difficult to avoid the spontaneous factors in party members in the new situation. Obviously, when entering the new struggle, we have failed to make necessary preparations to enable our cadres and party members to overcome extremely complex and difficult circumstances, battlefields, and traps; and they have had to pay a price in terms of quality, competence, and political ability. Moreover, for a long period of time, the mechanism of bureaucratic administrative subsidies has made party members passive, dependent, and authoritarian. It has caused the loss of their militancy, restricted their dynamism and creativity which are always the characteristics of a vanguard party. That is the most fundamenmtal reason why our contingent of party members is large but not strong, why our party members are numerous but their quality is not high, why many of them have become degenerate and deviant, why there are many mediocre party members, and why some of them are even no better than ordinary people in terms of quality and political awareness.

This seventh party congress has set forth the platform, the socioeconomic strategy, and the political tasks aimed at continually enhancing the renovation process. One point we have to assert definitively, then, is to build a firm and strong party capable of fulfilling its historical mission of leading our people in succesfully building the country during the period of transition to socialism, as mentioned in the platform.

To this end, efforts to revamp and build the party and renovate its operating procedures must be regarded as part and parcel of our short-term and long-term objectives. In implementing the party Central Committee's policy on consolidating the party and purifying the contingent of party members, the Ho Chi Minh City party organization has achieved some initial results and gained experience in revamping the party. However, to meet the requirements set by this party congress, we still have to make much greater effort. This strategically important task cannot be accomplished in one drive, or even one year, but in several generations in succession.

At present, as far as party-building work is concerned, it is of decisive importance to urgently train new cadres and retrain old ones, motivate the entire party to show a will for, and embark on, a movement to teach and train oneself in subjects ranging from the viewpoint of the working class to knowledge of science and management..., thereby encouraging all party members to really develop self-consciousness and a sense of self-improvement and tirelessly struggle against self-complacency and spontaneity. Only by so doing can conditions be created for the party platform and the resolutions of the seventh party congress to be implemented, applied to life, and turned into a strong driving force to propel the renovation process to even greater achievements. It can be said that under any circumstances we must sharpen our determination to build our party into a forever scientific and creative Marxist-Leninist party, an eternal Ho Chi Minh party.

On behalf of the party organization and people of various strata of Ho Chi Minh City, our delegation sincerely wishes all comrade delegates good health and the congress success.

Thank you, Comrades.

Nguyen Co Thach Speaks at Party Congress

BK1807143391 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 7 Jul 91

["Excerpt" from speech by Nguyen Co Thach, delegate from Ha Nam Ninh Province, at seventh national party congress held 24-27 June at Ba Dinh Conference Hall in Hanoi—recorded]

[Text] Changes of historical significance are taking place worldwide and opening up a new situation. These important changes are both positive and complicated in nature.

The sixth party congress stressed that the scientific-technological revolution has developed vigorously, causing the productive forces to grow by leaps and bounds and accelerating the process of international labor distribution.

Current world developments have testified to the correctness of the above-mentioned assessment and have heralded profound changes in human society.

The very high performance of the world economy has formed a wide-ranging world market comprising different countries that belong to different social systems but which compete and cooperate with one another in the spirit of peaceful coexistence.

In the communist manifesto issued in 1848, Marx and Engels pointed out that the bourgeoisie has caused production and consumption in all countries to bear an international character. At present, this international character of the world economy has reached a much higher level. This process is closely linked with the profound changes in the course of international labor distribution. Instead of product specialization by each individual country, the parts of a single product are now being produced by hundreds of enterprises based in dozens of countries. The strong development of information services and means of communication and transportation has further accelerated the internationalization of the world economy and the life of all nations.

Capital investment in foreign countries, technology transfer, and labor exchanges all bear a very strong international character and transcend national boundaries as well as political and military alliances. In the past, the world used to be divided into different zones of monopoly by capitalist countries. Following World War II, two markets belonging to capitalism and socialism came into existence. With the productive forces bearing a strong international character and the socialist countries shifting to the market mechanism, the world has become a market comprising countries of different political and social systems and affected by the general rules of the commodity production, like the ones governing money, pricing, and supply and demand, as well as by the common laws on trade and customs.

Many major issues essential to the existence and development of the whole of mankind, like population, environment, diseases, and the nuclear threat, require the cooperation of all nations if problem-solving methods are to be reached.

The underlying causes of those changes of epochal significancee lie first of all in the pressing need to resolve the fundamental contradictions arising from the fact that human demands are constantly on the rise, whereas natural resources are depleting with each passing day. The energy crisis and material shortages in the 70's, the world population explosion, and environmental pollution are proof of the seriousness of those contradictions.

In order to survive, mankind must necessarily stop pursuing lateral economic development, which it has done for more than 200 years now, and shift to in-depth economic development through the application of scientific-technological innovations.

The improvement of the quality of productive forces and international labor distribution have increased labor productivity very considerably, generating very large quantities of material goods and speeding up the economic growth rate.

In the communist manifesto issued some 150 years ago, Marx and Engels assessed that the bourgeoisie would rule for less than a century, but the productive forces it created were far greater in size than all the productive forces of the preceding generations. In fact, compared with the 230-year-long industrial age (1740-1970), the world production output in 1970 increased 1,000 times compared with 1740, and in the past 20 years alone (1970-1990), the world production output has increased twofold compared with 1970—or an equivalent of the total amount of material goods produced during the 230-year-long industrial age. At this pace, in the next several decades, the world production output will increase at a speed never seen before in mankind's history.

Against such a backdrop, a large-scale, fast-breaking economic and scientific-technological race has developed on a global basis, with all nations giving first priority to economic development and devoting efforts to both competition and cooperation to ensure progress.

Constitution Revision Committee Issues Communique

BK1907135791 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Jul 91

[Communique of the Constitution Revision Committee—date not given]

[Text] The Constitution Revision Committee held its 11th plenary session from 15 to 17 July under the chairmanship of Chairman Vo Chi Cong.

1. The committee heard the constitution revision editorial staff report on the results of the solicitation of suggestions made by high and middle-ranking cadres throughout the country, the Nationalities Council, the various standing committees of the National Assembly, National Assembly deputies, and some veteran revolutionary cadres on the first draft amendments to the 1980 Constitution. The Constitution Revision Committee warmly welcomed and highly appreciated the suggestions, which showed a high sense of responsibility toward the elaboration of the revised Constitution.

2. Basing itself on the Resolution of the Seventh National Congress of Delegates of the Communist Party of Vietnam and the suggestions contributed in the recent opinion-gathering drive, the committee examined the report on the proposed revisions of the editorial staff and made suggestions, so as to turn it into the second draft amendments to the 1980 Constitution. This is aimed at institutionalizing the party platform and the socioeconomic strategy and strongly pushing forward the renovation process in all fields in conformity with the new stage of the revolution in our country. The draft will be submitted to the National Assembly at its forthcoming ninth session for its opinion. After that, it will be further revised and released for public discussion throughout the country.

Heavy Rains Cause Extensive Damage in Provinces

BK2207073891 Hanoi VNA in English 0625 GMT 22 Jul 91

[Text] Hanoi VNA July 22—Torrential rains in four days from July 15 caused extensive damage to the two northwestern mountain provinces of Son La and Lai Chau.

Heavy rains in Son La Province swelled the Ma and Da rivers the highest level since 1972, submerging more than 200 houses and vast rice fields and washing away or seriously damaging many bridges.

In Lai Chau Province, torrential rains measuring 239-299mm submerged the airstrip and many residential areas and ruined a number of irrigation works and portions of roads.

1.3 Million Hectares of Rice Crop Planted

BK2107102791 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 10 Jul 91

[Text] According to the Ministry of Agriculture and Food Industry, as of 5 July 1991, 1,297,280 hectares of summer-fall rice crop have been planted nationwide, which is more than 4 percent of the plan, exceeding the last summer-fall rice crop by 103,000 hectares.

Generally speaking, this year's summer-fall rice crop has grown and developed well. In provinces of the central coastline, more than 50,000 hectares of the crop have been harvested with good yield.

Together with the summer-fall rice crop, 681,540 hectares of 10-month rice crop have been planted throughout the country.

In some provinces of the north, some insects and diseases such as stem borers, rice hispa, rice leaf roller, and eariaz insulana occurred and developed, causing harm to some areas of the 10-month rice crop.

In some provinces of the south, brown planthoppers have caused harm to about 225,000 hectares of the rice crop including 85,000 hectares which were affected badly. Aphelenchoides oryzae and rice yellows continue spreading in the Mekong River delta, each causing damage to about 25,000 hectares of the rice crop.

In the next 10 days, the Ministry of Agriculture and Food Industry will remind provinces in the north to plant in a timely fashion for each type of rice seedling, positively prevent insects, diseases, and floods, and plant reserve seedlings to guarantee the success of the 10-month rice crop. Provinces in the south continue to step up measures to prevent insects and diseases from attacking the summer-fall rice crop, to plant the 10-month rice crop quickly, and especially to treat seriously brown planthoppers and rice yellows affecting the rice crop.

Australia

Evans Condemns Arrest of Aung San Suu Kyi

BK2007060491 Hong Kong AFP in English 0539 GMT 20 Jul 91

[Text] Canberra, July 20 (AFP)—Australia has condemned the six-month [word indistinct] of house arrest in Rangoon of Aung San Suu Kyi, describing her as the symbol of Burma's hopes for democracy.

In a statement, Foreign Minister Gareth Evans called on Burma's military leaders to release Ms. Aung San Suu Kyi, former general secretary of the National League for Democracy (NLD), who was arrested two years ago Saturday.

He recalled that more than a year had passed since Burma's general election, in which the NLD won almost 60 per cent of the vote and more than 80 per cent of the seats.

"The 1990 election result revealed that Aung San Suu Kyi was seen as synonymous with a new beginning and a new hope for Burma," Mr. Evans said. "She is the symbol of the popular aspiration for democratic change in Burma."

Mr. Evans called on General Saw Maung and other members of the Burmese State Law and Order Reform Council (SLORC) to "release Aung San Suu Kyi and other political leaders and to work together with them in the essential and urgent task of democratisation and reconstruction in Burma."

Talks With France on Environment Conclude

BK2207062091 Melbourne Radio Australia in English 0500 GMT 22 Jul 91

[Text] Australia and France have concluded talks on global and regional environmental issues. The Australian foreign affairs department said the two days of talks last week in Canberra concentrated on continuing cooperation on protecting the Antarctic environment.

Australia and France cooperated closely in promoting a treaty which imposes a 50-year mining ban in Antarctica. Other issues on the agenda include climate change, biological diversity, and protection of the marine environment.

Australian officials again registered the government's disappointment at the continuing French nuclear testing in the Pacific.

Fiji

3 Foreign Oil Firms Banned; New Source Found

BK1807132191 Hong Kong AFP in English 0953 GMT 18 Jul 91

[Text] Suva, July 18 (AFP)—The Fiji Government moved closer Thursday towards sealing a controversial deal with Malaysia when it issued an order banning three multinational oil companies from importing fuel.

The ministerial order, backdated to July 4, was delivered to Mobil, British Petroleum, and Shell, which have been importing oil from Singapore and Australia.

Shell's General Manager Joe Mar said the companies were "disappointed," and said: "we really didn't expect it. Our negotiations were still going on."

The companies are at loggerheads with the newly-established Fiji National Petroleum Company (Finapeco), which is buying crude oil in Kuala Lumpur under an agreement with Malaysia's state-owned Petronas, and having it refined by Esso Singapore.

Finapeco's Director Akuila Savu told AFP he could not divulge the reasons for the government's latest move against the multinationals.

Set up in April with 12 million Fijian dollars (8.4 million U.S.) of government equity, Finapeco is the middleman for the companies, which are also supplying Tonga, Western Samoa, Niue, Cook Islands, Tuvalu, Kiribati and Vanuatu.

Fiji's own needs are estimated at 6,000 barrels a day, but Finapeco is lifting 10,000 barrels a day to facilitate supply of neighbouring island countries.

The multinationals have also complained that Esso Singapore supplies only four of the eight products consumed here. They say they are expected to import the other four—aviation fuel, kerosene, outboard motor pre-mix, and industrial diesel—without the benefit of having transport costs subsidised by bulk fuel shipments.

French Polynesia

Gaston Floss Resumes Place as President

BK2007022491 Hong Kong AFP in English 0211 GMT 20 Jul 91

[Text] Papeete, July 20 (AFP)—Gaston Floss said Saturday he was resuming his place as president of French Polynesia, a week after he stepped down following street clashes over new taxes that left a dozen people injured.

Mr. Floss told AGENCE FRANCE-PRESSE that after consulting leaders of his ruling Tahoeraa Huiraatira Party, he decided to stay on as head of the government.

The French territory's vice president, [word indistinct] Buillardi, had handled adminstrative matters since Mr. Floss withdrew from his duties on July 12 saying he wanted "time to think."

Mr. Floss's government abandoned its new tax plan in the face of violent demonstrations early this month.

New Zealand

Prime Minister Sacks Outspoken Government MP

BK1907130391 Hong Kong AFP in English 0938 GMT 19 Jul 91

[Text] Wellington, July 19 (AFP)—New Zealand Prime Minister Jim Bolger, faced with mounting dissent within his own party over economic policy, Friday stripped an outspoken government member of a caucus committee chairmanship.

First term MP [member of parliment] Michael Laws lost the chair of the employment committee after saying publicly the government's 1990 election manifesto to halve unemployment by 1993 was "crazy."

However, it was apparent Friday night that Mr. Laws' comments were barely the issue but rather he had become a victim of growing pressure on Mr. Bolger to assert his leadership.

Mr. Laws is a strong backer of Maori Affairs Minister Winston Peters who has defied cabinet rules for weeks by being publicly critical of economic policy.

The sacking followed a private clash earlier in the week when Employment Minister Maurice McTigue demanded that Mr. Laws quit.

Mr. Bolger said Friday he had told Mr. Laws he had been fired from his position.

"The decision has effectively been made," Mr Bolger said. "And that's it."

Mr. Laws hit back over the sacking, saying: "We've reached a pretty sick society when any government backbench MP can't state an obvious truth."

He told the television network TV3 that if people were embarrassed by the truth "then I really do worry about what sort of employment alternatives there are being created at the moment."

Mr. Laws said he did not withdraw from any of his comments.

"They were absolutely 100 per cent factually correct. I suggested that we have got to face up to as a country that we have long term jobless and the government has got to do something, be a bit more creative, about finding a solution."

The new crisis is unlikely to immediately touch Mr. Bolger's leadership. It is believed the band of outspoken MPs, of which Mr. Laws was a prominent member, were a small minority in the government caucus.

But, coming just ahead of Finance Minister Ruth Richardson's July 30 budget, it shows the government is deeply split over the country's economic direction.

The government's problems are likely to get worse as Ms. Richardson has made it no secret that she will deliver a hardline monetarist budget.

Papua New Guinea

2 Soldiers Killed, 1 Hurt in Bougainville Ambush

BK2107072691 Melbourne Radio Australia in English 0500 GMT 21 Jul 91

[Text] Papua New Guinea's [PNG] Prime Minister Rabbie Namaliu has warned that the killing of two PNG Defense Force soldiers on Bougainville island could jeopardize peace talks between his government and the Bougainville Revolutionary Army [BRA]. Radio Australia's Marius Benson reports from Port Moresby that Mr. Namaliu appealed to the BRA to abandon violence and resume negotiations.

[Begin Benson recording] The two soldiers were killed in a BRA ambush while fetching water, a short distance from their camp on the northern tip on Bougainville. A third soldier was seriously wounded in the ambush.

Mr. Namaliu described the killings as a tragedy and a major and unacceptable breach of the Honiara Accord signed at the end of the last round of talks between the government and the rebels six months ago. He said the soldiers were engaged only in noncombat duties on Bougainville when they were murdered. He said his government remained committed to working within the Honiara Accord to restore peace and harmony on Bougainville and it was time he said for the BRA to demonstrate its commitment.

The prime minister said he was still waiting for the BRA to reply to his proposal that the third round of peace talks should begin next weekend. [end recording]